

SLASH ASSEMBLY COSTS with VAUGHAN

Automatic Assembly Machines

VAUGHAN ASSOCIATES LIMITED

LONDON NOTTINGHAM SHREWSBURY

REPRESENTS OF ASSEMBLY, INSPECTION, PRODUCTION AUTOMATION

IMI

for building products, heat exchange, fluid power, general engineering, zip fasteners, refined and wrought metals.

IMI Limited, Birmingham, England

NEWS SUMMARY

GENERAL BUSINESS

Jackson warns of threat to post

Post Office monopoly of letter deliveries would be threatened unless the "worst excesses" of Industry Secretary Sir Keith Joseph were curbed by Cabinet colleagues, warned Tom Jackson, general secretary of the Union of Post Office Workers.

He told delegates at his union conference in Bournemouth that the public should be warned of "grave dangers" if Sir Keith was given a free hand.

"The postal service has been a monopoly since 1860, and exists in this form throughout the world. To destroy the postal monopoly will kill the service as we know it." Page 12

Namibia set for independence

Namibia was set firmly on the path to unilateral independence without international recognition, after Mr. P. W. Botha, South African Foreign Minister, ruled out hopes of breaking the deadlock on Western efforts to achieve an international settlement.

A national assembly, based on the votes of the South African-sponsored elections, was formally opened in Windhoek by Judge Martinus Steyn, South African Administrator General.

'Hit-man' claim

Norman Scott told the Jeremy Thorpe murder conspiracy trial he was warned that a Canadian "hit-man" was to kill him for a four-figure payment. Thorpe and three other men deny conspiring to murder Scott, a former male model.

Israeli plan delay

The Israeli Cabinet has decided against tabling its 22-point plan for the future of the West Bank and Gaza Strip at negotiations on Palestinian autonomy in the occupied territories which begin in Egypt on Friday. Page 6

Vaccine sales

Whooping cough vaccine sales in the UK have more than halved since 1973, and the Association of the British Pharmaceutical Industry says the country is going through the worst epidemic of the disease for 20 years. Page 11

Egypt arms

Egypt is expected to increase its demands for additional U.S. military equipment beyond the \$1.5bn package agreed in one line. A four-man U.S. delegation is to start talks in Cairo today with General Kamal Hassan Ali, Defence Minister. Page 6

Offer refused

Dr. Carl-Friedrich von Weizsäcker, scientist-philosopher, has turned down an offer from the ruling Social Democratic-Federal Democratic coalition to stand as its candidate in tomorrow's West German presidential elections. Page 3

Red-face brigade

The village fire brigade at Varnhem, Sweden, was asked to burn down an unwanted barn, but the supervised blaze spread rapidly, destroying 16 houses and buildings. "It was a regrettable misjudgment," said the brigade chief.

Briefly...

Two people were killed and six injured in a crash on the M4 at Magor, Gwent, involving a lorry and two cars.

Police in Derbyshire seeking the killer of sweethearts Lorraine Underwood, 15, and Peter Thompson, 18, have issued an artist's impression of a man seen carrying a gun near the scene.

CHIEF PRICE CHANGES YESTERDAY
(Prices in pence unless otherwise indicated)

RISERS	
ANZ	305 + 15
Graig Shipping	300 + 10
Hardy & Co. (Furns)	180 + 54
Hay's Wharf	164 + 4
James (J.)	155 + 16
Jenks & Cattell	89 + 6
Plaxton's	183 + 8
Ang. American Op.	442 + 14
Ang. American Gold	232 + 11
Doornik-Groen	385 + 16
President Steyn	388 + 3
Rustenburg Plat.	172 + 16
Vaal Reeds	171 + 1
FALLS	
Tray	134pc 2000.03 1123 - 14
AB. Electronic	213 - 11
Beecham	663 - 9
Boots	207 - 7
Brown (J.)	523 - 23
Collins A.	372d - 10
Diploma Impv.	308 - 16
Distillers	220 - 5
Dixon (D.)	140 - 20
Elliott (B.)	242 - 12
GEC	418 - 9
Gt. Portland Ests.	274 - 8
Henlys	116 - 7
Hill Samuel War.	378 - 100
ICI	298 - 7
Land Secs.	99 - 7
Lex Service	316 - 11
Lloyds Bank	292 - 11
Lucas Inds.	230 - 11
Magnolia	230 - 20
Mirbead	266 - 16
New Throgmorton	
Warrants	66 - 11
Reckitt & Colman	477 - 15
Thorn Elect.	167 - 10
Trust Houses Forte	167 - 10
Vinten	135 - 11
BP	1,084 - 24

† Price at suspension

West warned of bleak alternative to curbing energy use

BY DAVID WHITE IN PARIS

Stronger measures to curb Western oil consumption in the short term were called for at a meeting in Paris yesterday by Ministers of the 20-nation International Energy Agency, amid forecasts of continuing shortages and price pressures and warning of recession.

The U.S. Congress took the brunt of the blame for failing so far to implement adequate restraint, following its rejection of President Carter's emergency programme.

The meeting was given a bleak version of the alternatives by Mr. Emil van Lemet, secretary general of the Organisation of Economic Co-operation and Development. Without firm energy and economic policies the West would face the kind of inflationary recession it went through in 1974 and 1975.

Although the recession would be on a lower scale, the West would start from a worse position. Inflationary expectations were higher, and it was harder to create jobs because the structure of prices and costs was still suffering from the first oil crisis, he said.

The energy problem alone threatened to bring down Western countries' growth to below the unsatisfactory level of the past two years. Even with more OPEC supplies, stronger energy policies and 3.5 per cent annual growth, there would be periodic shortages in supply.

Both Japan and West Germany raised the possibility of a further agreed cutback after the 5 per cent reduction in oil consumption which the IEA set as its target in March this year.

Sweden, as expected applied for the IEA to bring in its oil-sharing facility because of exceptionally great supply shortages. This is the mechanism known as the "selective trigger," designed to assist an individual country when its supplies fall more than 7 per cent below normal.

Dr. Guido Brunner, EEC Energy Commissioner, warned that a move of this kind might "add to the panic," but favoured informal assistance for the Swedes when the question is discussed today. Sweden is so far the only country to have applied for assistance.

Denmark meanwhile floated a proposal for the IEA to bring in its overall oil-sharing scheme before waiting for the shortage to reach the 7 per cent mark.

The shortage for the IEA, which groups the main consumers except France, is now reckoned at 4 per cent. For the EEC it is put at 5 per cent for the first half of 1979, compared with last year's levels.

The least pessimistic view came from Count Otto Lambsdorff, the West German Energy Minister, who said that his country would achieve its 5 per cent oil reduction target this year and that economic growth would not be sacrificed in the process of energy-saving.

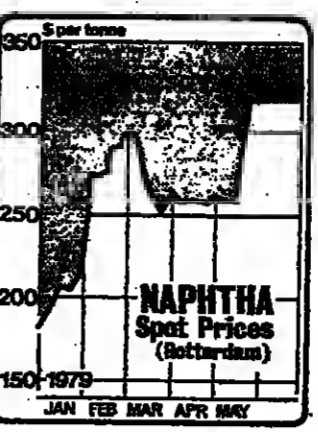
Dr. Brunner forecast that in view of energy difficulties the EEC would have to accept 3.5 per cent growth this year and that it would be happy enough if it kept up this level in the following years.

He warned that oil scarcity would be a problem until the mid-1980s, and that if consumers did cope on a short-term basis they would open the way to market disruption and haggard-ty-neighbour trade policies.

He called for international action on oil prices, including a concerted approach to fuel taxes to provide funds for energy investments.

Dr. James Schlesinger, U.S. Energy Secretary, echoed the same sombre tone, warning that the performance of the U.S. and other countries since the last oil crisis was no longer acceptable in view of the larger problems.

The Iranian revolution had "brought forward the day of Continued on Back Page



Naphtha price at new peak

By Sue Cameron, Chemicals Correspondent

THE SPOT market price of naphtha—used in the production of both petrol and chemicals—has leapt up by more than 19 per cent in the last week. The price has risen by more than \$50 a tonne to \$315 a tonne.

The latest spot price is the highest ever. After reaching a peak of around \$300 a tonne at the end of March, it had eased back and levelled out at around \$260 a tonne.

Naphtha is an important raw material in the manufacture of most plastics and the sudden surge in spot prices could pose severe problems for Europe's petrochemical industry.

Shell said yesterday that the increase was clearly related to the rising price of crude oil. Crude prices have risen on average by about 25 per cent since the beginning of this year and further increases are expected.

The rise in naphtha prices is thought in the industry to have been caused by increased demand from oil companies wanting to turn it into petrol for export to the U.S. A petrol shortage in many areas of the U.S.—notably California—is expected to prompt larger imports in the near future.

Although some oil companies may be expecting the U.S. to make up the petrol shortfall by importing oil products such as naphtha, an alternative course would be to increase imports of crude and refine the oil within the U.S.

At present about 66 per cent of all naphtha is upgraded to make petrol, while the rest is used as a raw material for the chemical industry.

The price difference between petrol and naphtha on the spot market has widened considerably over recent months.

If the spot price of naphtha remains over \$300 a tonne, Europe's chemical industry could be hard hit because third quarter contract prices are due to start being negotiated in a few weeks' time.

Move to cut 22,000 Civil Service jobs

BY CHRISTIAN TYLER, LABOUR EDITOR

THE GOVERNMENT intends to cut 22,000 jobs from the Civil Service as a prelude to similar economies across the public service sector.

Service unions yesterday, Lord Soames, Lord President and Minister for the Civil Service, disclosed that manning in local government and the health service would also be reviewed.

According to one report of the meeting, he said that the Government was not just "picking on" the civil servants.

A three-month freeze on recruitment and on promotions is to be introduced immediately across all Whitehall departments. But today individual departments and their unions are likely to start making out cases for exemption. They will be told that where recruitment is urgent—and parts of the services are badly understaffed—the savings will have to be made in other ways.

According to the Civil Service Department last night, the service employed some 7,500 fewer people in April this year than expected. The net loss of jobs by natural wastage would therefore be 14,500.

The move, which has come earlier than the unions expected, was described as an attempt to recoup the £220m that the civil servants' pay settlement is expected to add to the last Government's cash limit.

This cash limit was set in the expectation of a 5 per cent settlement, in line with the then current pay policy. But white-collar civil servants secured 9 per cent from April, with the promise of 5 per cent on August 1 and the balance of their private sector linked rises on January 1. The totals will average 25 per cent.

A bon on recruitment has already started in Customs and Excise, amid union protests. This Department apparently jumped the gun.

Last night Mr. Ken Thomas, general secretary of the largest white-collar union, the Civil and Public Services Association, said no attempt had been made to identify functions that could be dispensed with. It was a "crude wielding of the butcher's axe, when we could have expected the surgeon's scalpel."

"I believe it's a political gimmick that will rebound on them. The figures just don't add up. My union is going to fight."

Mr. Thomas claimed that the Customs and Excise freeze would make it impossible for the Government to carry out its own policy of raising value-added tax to help finance cuts in direct taxation.

Union leaders claimed that the civil service was so much under its existing cash limit and recruitment was so difficult already that the saving could have been achieved by merely letting that situation continue.

Lord Soames and his officials said, however, that yesterday's plan was the minimum that could be expected.

No immediate cuts in State aid says Sir Keith

BY RICHARD EVANS, LOBBY EDITOR

SIR KEITH JOSEPH, Industry Secretary, declared yesterday the Government had no intention of immediately cutting State aid to industry, but would conduct a lengthy assessment and review each case on its merits.

In a cautious first speech to the Commons in his new role, Sir Keith confirmed his underlying intention of transforming the economy by allowing market forces to operate, but stressed that to change the present "depressing" industrial scene would take five to 10 years.

His failure to outline any specific government proposals on State intervention in industry or on job subsidies disappointed many Conservative M.P.s, who had been expecting him to make a start on fulfilling the party's manifesto commitments, and angered Labour backbenchers.

Sir Keith argued it would be wrong to go into details after only two weeks in office. There was bound to be a transitional period before policies could be implemented.

Mr. James Prior, Employment Secretary, would be assessing each job subsidy scheme on its merits, and the Department of Industry would be reviewing the assistance available to industry generally, with the aim of reducing the role of government.

Sir Keith stressed this would mean "taking into account the need to avoid sudden disruptive changes in the context in which industry takes decisions."

The most effective Opposition attack came from Mr. Anthony Wedgwood Benn, former Energy Secretary, making his first speech in the Commons for 22 years. In a dramatic contrast of philosophies, Mr. Benn argued that Sir Keith's views went against the lessons learned by past governments, both Conservative and Labour.

John Elliott writes: The only indication of Sir Keith's thinking on detailed policy matters to emerge from his speech concerned the National Enterprise Board.

Sir Keith confirmed he is interested in the NEB taking private equity into some of its high technology and other similar new ventures.

Parliament Page 14
Editorial comment Page 20
Moves to repeal lead Act Back Page

Gold price jumps \$7 to \$263 7/8

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE PRICE of gold jumped sharply yesterday to a record level in response to heavy speculative demand.

The price per ounce in the London bullion market rose by \$7 to \$263 7/8. This was the highest level of the day and represents a gain of \$17, so far this month. Trading was reported to be active.

The recent sharp rise in the gold price seems to be mainly the result of market concern about rising oil prices and the general resurgence of inflationary pressures.

Sterling fell to its lowest level against the dollar for nearly two months at one stage yesterday. It touched \$2.0385. Dealers suspect that there may have been some official support at this level and the pound then recovered to close 45 points down at \$2.0435.

The trade-weighted index, measuring the value of sterling against a basket of other currencies, dropped by 0.2 to 66.6.

The weakness of sterling, coupled with increasing worries about UK economic prospects, unsettled domestic financial markets. Prices of long-dated gilt-edged stock dropped by 14 points.

As a result, the new long-dated stock is well out of line with the market and is unlikely to attract much support when lists open tomorrow.

Equities were also very weak again and the FT 30-share Industrial Ordinary Index dropped by 11.5 points to 510.7. This followed a 36.1 fall in the previous fortnight.

One reason for the continued fall in equities has been the extent of the earlier bullish positions, built up immediately before the election. These have taken much longer than expected to unwind.

Money markets Page 27
Silver and platinum prices Page 35
Lex Back Page



Teachers' pay settled

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

DISRUPTION of schools is likely to end this week following the provisional settlement in London yesterday of the pay dispute affecting 482,000 teachers in England and Wales.

After nearly 12 weeks, the unions' and education authorities' panels of the Burnham negotiating committee agreed on a two-part offer—the fourth to be made by the authorities in answer to the unions' 36.5 per cent claim.

The first part, to be backdated to April 1, will raise the public bill for the teachers' salaries by 9.3 per cent or about £232.5m, to approximately £27.3bn.

Of this increase, £225m will be for straightforward rises, lifting the average salary by £487 to £5,684 a year. The other £7.5m will be accounted for by amendments to the pay structure.

The second part of the agreement entails reference of the rest of the claim to the Pay Comparability Commission on terms hiding the commission to consider teachers' present conditions of employment as well as the favourable pay relativities established by the 1974 Houghton Report on teachers' pay.

Pending the commission's study all the teachers will receive £6 a month which is to be "clawed back" when payment is made (in two halves from January and from September 1980) of the award which the comparability commission is Continued on Back Page

In the whole wide world of word processing, only one word says it all. Olympia.

DICTATING
Olympia offer you dictating equipment for every use: portable, desk-top centralised. Fully compatible systems on tape and disc, in Britain's biggest range.

FACSIMILE TRANSMISSION
Wherever you can dial direct, you can transmit and receive facsimiles in minutes with Olympia Fax equipment.

TYPING
A whole versatile family of Olympia machines. Electric and manual, typewriter and golf ball, including compact, proportional and noise-reduced models.

TEXT PROCESSING
Olympia can offer full text systems from memory typewriters to floppy disc stand alone models with a wide range of printing systems up to 130 ch/sec and VDU.

COPYING
Cost-effective Olympia copiers—liquid toner, dry toner, plain paper. The right machine for every purpose.

OLYMPIA SERVICE EVERYWHERE
From Britain's largest specialised dealer network, with over 1,000 local centres. All ready to help you with every kind of word processing, with the world-famous name that says it all Olympia.

Send for details—no stamp needed
Olympia Business Machines Co. Ltd. FREEPOST London NW11 7YR
Please send full details of Olympia systems for dictation, typing, text processing, copying, facsimile transmission. Also the name of your nearest Olympia dealer.

Name _____
Company _____
Address _____

Olympia
Better Business Machines

Olympia Business Machines Co. Ltd.
202/205 Old Marylebone Road, London NW1 5GS, 01-262 6788.

CONTENTS

Exxon: an oil company expands into other fields	20	Management: Averys weighs in on the chip revolution	17
Worker directors: the Post Office's experiment	21	Editorial comment: State enterprise; Cyprus	20
Wines: the fizz returns to bubbly	18	Lombard: Hugh O'Shaughnessy shares foreign aid	18
Canadian elections: future unity at stake	8	American News	6
Int'l. Companies	29-31	Share Information	38-39
Int'l. News	20	Stock Markets:	36
Leader Page	20	London	34
Letters	21	Wall Street	34
Business	21	Bourses	34
Business Op.	15	Technical	18
Commodities	35	Today's Events	21
Companies - UK	22-25	TV and Radio	25
Contracts	11	Mining	27
Crossword	15	Money & Exchange	27
Entertain. Guide	15	Overseas News	4
Parliament	2-4	Parliament	2-4
European Options	34	Racing	18
FT Actuaries	36	Saleroom	10
UK News	9-11	UK News	9-11
General	9-11	General	9-11
Labour	29	Labour	29
Unit Trusts	10	Unit Trusts	10
Weather	40	Weather	40

For latest Share Index: phone 01-246 8026

EUROPEAN NEWS

By resigning, Spain's Socialist leader has increased his standing: Robert Graham reports

Gonzalez snatches victory from defeat

IT MUST be every politician's dream to turn defeat into victory, and Sr. Felipe Gonzalez looks as though he has pulled this off.

The passionate self-defence with which he delivered his resignation as leader of Spain's Socialist Party at its 28th congress here on Sunday completely undermined his opponents.

For having resigned, Sr. Gonzalez's stock is stronger inside the party. Countrywide, he has never received such accolades. The sheer emotion and seeming honesty of his speech has deeply impressed the Spanish, to whom the concept of resignation is wholly alien.

Yesterday, one of the national dailies religious affairs writers was even given the front page to write a eulogy on Sr. Gonzalez's action.

The situation within the Socialist Party, Spain's second largest, and which in the March elections obtained 29 per cent of the vote, is now a curious one.

Sr. Gonzalez is regarded as the untested leader. But he has resigned because he refused to have the party adopt an overtly Marxist label.

This he contends is electoral suicide and does not reflect the party's true calling. Yet most of the party has now approved an ideology which is expressly Marxist supporting the class struggle.

This same majority, however,

has no desire to see Sr. Gonzalez quit. It was for this reason that late on Sunday, no one was willing to present themselves as candidates for election to the new party executive.

The only temporary solution was to appoint a five-man steering committee to act as interim executive pending a special congress within the next six months.

The party has allowed itself to fall into disarray through a mixture of loose organisation and misunderstandings. The rank and file had shown disaffection for some time over the conduct of the leadership, disagreeing with Sr. Gonzalez' moderate and pragmatic approach to Socialism.

They came to congress determined to castigate the leadership and to impose a more militant Marxist line.

Sr. Gonzalez, however, wanted to ensure that if the party was to accept his leadership, then the militants had to realise that dogmatic Marxist solutions were unrealistic in democratic Spain (something which the Communists had already shown they accepted).

Unfortunately, neither had a fall-back position. The difference was that Sr. Gonzalez acted fully conscious of the consequences of what he was doing — his opponents did not.

The most striking aspect of the defeat of the Gonzalez line in the congress political docu-



Spain's socialist leader Sr. Felipe Gonzalez in fighting mood as he addresses the Spanish Socialist Congress

ment was that the militants clearly had no plan to assume control of the party executive.

Having made their point, they were content to sit back, or simply did not know how to exploit it. By resigning, Sr. Gonzalez has forced them to assume responsibility for their actions—or to accept that if they want him to resume office, then they must take a more realistic attitude to ideology.

The congress has solved nothing for the party, merely worsened existing divisions. The basic problem before the congress was: How does the party present itself in order to

be a party of government? This problem still remains.

If the party does follow the political line adopted at the congress (a class and mass party based on Marxism, democracy and federalism) then Sr. Gonzalez cannot return in the short term.

This could lead to factionalism and a serious weakening. But if Sr. Gonzalez does and an acceptable formula, his position within the party will be very strong.

However, the party's credibility vis-à-vis the electorate could suffer, and the suspicion that it was Marxist-oriented would re-

main. Either way, the party has been hurt by these events. If the Marxist tag sticks, the Socialist Party is put into direct competition with the Communist Party over who represents for the electorate the Alternative on the Left.

The Communist Party picked up votes at the last election from disillusioned Socialist voters who regarded Sr. Gonzalez's platform as too watery a version of Socialism.

By adopting Marxism, no guarantee exists that the Socialists can win back such votes. The better organisation and discipline of the Communist Party is likely to annex more votes as the real party of Marx.

The weakening of the Socialist Party raises in more acute form the whole question of its future relations with the Communist Party. The ruling Union de Centro Democrático of Sr. Adolfo Suarez can only benefit from the Socialist troubles.

There is a danger, stressed by Sr. Gonzalez, that a Socialist shift towards Marxism will create a big political divide for the Right to exploit—political parties in Spain will be classified into Marxist and non-Marxist.

This could raise spectres of old Civil War splits. But for the moment, the country undoubtedly favours middle-of-the-road platforms, and the weakening of the Left is not going to destabilise Spain.

The washing of the Socialists' dirty linen in public has shown Spaniards that people can have beliefs, defend them and stake their careers on them.

The fact that there was a good deal of tactical manoeuvring in Sr. Gonzalez's action has not diminished its moral value.

The Socialist congress has given the public a taste of democratic debate, and political democracy, that two years of turgid Parliamentary argument have failed to do.

Soviet Trade Minister in London

MR. NIKOLAI PATOLICHIEV, Soviet Minister for Trade, flew into London this week for talks with British businessmen and Government officials.

Mr. Patolichiev arrived from Moscow for a five-day visit

which will coincide with the Soviet national exhibition at Earls Court on May 23. He will meet Mr. John Knott, the Trade Secretary, for bilateral trade talks, and will have discussions with British businessmen involved in East-West trade.

Italy campaign makes terrorism a major issue

BY RUPERT CORNWELL IN ROME

TERRORISM HAS been brought to the forefront of the Italian election campaign by bitter exchanges between the Christian Democrats and the Communists, less than two weeks before the country goes to the polls to elect a new Parliament.

The flames were fanned by a weekend speech from Sig. Benigno Zaccagnini, the Christian Democrat secretary general, in which he strongly implied that the Communist movement provided a seedbed in which extremist politics could take root.

His attack, which was angrily rejected by senior spokesmen of the Communists, came as Italian anti-terrorist police made further arrests in major Italian cities, continuing the round-up of "leading figures" in the "autonomous" movement which began in the university city of Padua more than a month ago.

The latest arrests were in Florence, where eight suspects were taken into custody, and in Genoa. Among the 16 people arrested there is a trade unionist at the local Italcrist steelworks, where a Communist shop steward, Sig. Guido Rossa, was assassinated by Red Brigades terrorists earlier this year.

This latest development has added to Communist sensitivity on terrorism, which they fear is being deliberately exploited

by the Christian Democrats, especially after the attack on their Rome offices, claimed to have been perpetrated by the Red Brigades at the outset of the election campaign.

Sig. Zaccagnini declared that his own party was completely separate from the "ideological springs" of violence. The same, he added in a seeming reference to the Communists, could not be said of other parties, even though they proclaimed a tough policy on terrorism.

The anti-Communist offensive of the Christian Democrats, made more buoyant by opinion polls bearing out the widespread belief that the Communists will lose ground on June 3 and 4, has also been developed on other, more familiar, fronts.

Sig. Amintore Fanfani, the old warrior of the Right of the ruling party, and president of the Senate in the previous legislature, has been stressing his argument that votes for the Communists would inevitably loosen Italy's ties with its European and Western partners.

At the same time, to the considerable embarrassment of many of his colleagues, he rested at the weekend that his party would be ready to concede the prime ministership to a Socialist, as a means of recreating after the election a new Centre-Left administration—along the lines of the formula of the 1960s.

THE ITALIAN ELECTIONS

Vatican influence remains strong

BY PAUL BETTS IN ROME

IT HAS become something of a common place to say the Vatican has been increasingly stressed the past few years, and in Italy. But it would be a gross error to underestimate its influence on Italian affairs in general and specifically in the forthcoming general election.

That is despite the increasing separation between Church and State and the loosening of the so-called "special relations" between the Vatican and the long-ruling Christian Democrat Party.

Indeed, a number of priests intend standing in these elections as candidates for the Socialist party to the irritation of their local curia. In a recent declaration, John Paul II, the new Polish Pope, has also played down the question of Roman Catholics voting for the Communists or being active Communist Party members. Only a few years ago, this would have entailed immediate excommunication—a threat used with some effect by the Vatican during past elections.

In this respect, Pope John Paul II said such Catholics were still regarded as members of the Church even though their political positions were not perhaps in line with Catholicism. Similarly, the Communist Party has recently been attempting to promote the dialogue between the Catholic Church and Communists.

Significantly, at its last national congress in March, the Communist Party dropped from its statute the controversial article calling on all Party members to follow Marxist-Leninist principles. The decision, in large measure a result of pressure from the Vatican claiming there could be no stable and concrete relationship between Catholics and Communists as long as this article stood in the statute.

But this opening on the part of the Communists also suggests that the Communist Party at least is not making the mistake of underestimating the continuing influence of the Vatican in Italian secular affairs. It may be difficult to assess the precise weight of this influence, but it certainly is there, known to be there, and, in a sense, is felt without always being tangible.

In any case, the Vatican's organisation in the country with some 300 bishops and more than 400,000 priests effectively surpasses that of any of the country's political parties. At the same time, the very fact that more than 90 per cent of Italians are Catholics—in some fashion or other—should not be overlooked at a time when the Church is enjoying something of a revival in Italy.

This is not only due to the "phenomenon" of the new Pope, who week after week has been filling St Peter's Square for his Wednesday public audiences arriving in a bright white car, and who has somewhat revamped the image of the Church. Even before his election, there had been evidence of a "renewed vitality" in the country's Catholicism. Catholic youth movements have been gaining influence and similar signs have emerged in the trade union movement.

Despite the country's traditional anti-clericalism, priests nonetheless continue to carry considerable influence in certain areas, particularly in small towns and in the more archaic

south. Although the Vatican has increasingly stressed the pastoral and universal mission of the Church, Italian episcopal college still retains a major role in secular affairs.

It is perhaps no small coincidence that even before the current election campaign officially opened, the Italian bishops suggested in a joint statement what kind of candidate they would prefer to see elected. Although adopting a substantially lower-profile approach than on past occasions, they nonetheless made their message clear.

The Pope himself, while indicating that his papacy was likely to be marked by a liberal policy on social issues, has also shown he intends adopting a generally traditionalist approach on theological and moral issues.



Pope John Paul II

In this respect, he has already come down strongly on the traditional position of the Church towards abortion and priests' celibacy.

In this sense, it would be misleading to consider the election of Pope John Paul II as marking a sudden change in Vatican attitudes and policy. It would be equally misleading to think the presence of the Church will only be marginally felt in the general elections next month.

The weekly news magazine, L'Espresso, recently carried a caricature of the new Pope. The caption read: "... and remember when you vote on June 3 to vote against the Communists. In the secrecy of the polling booth, God sees you! For the Euro elections do as you please. God couldn't care less!"

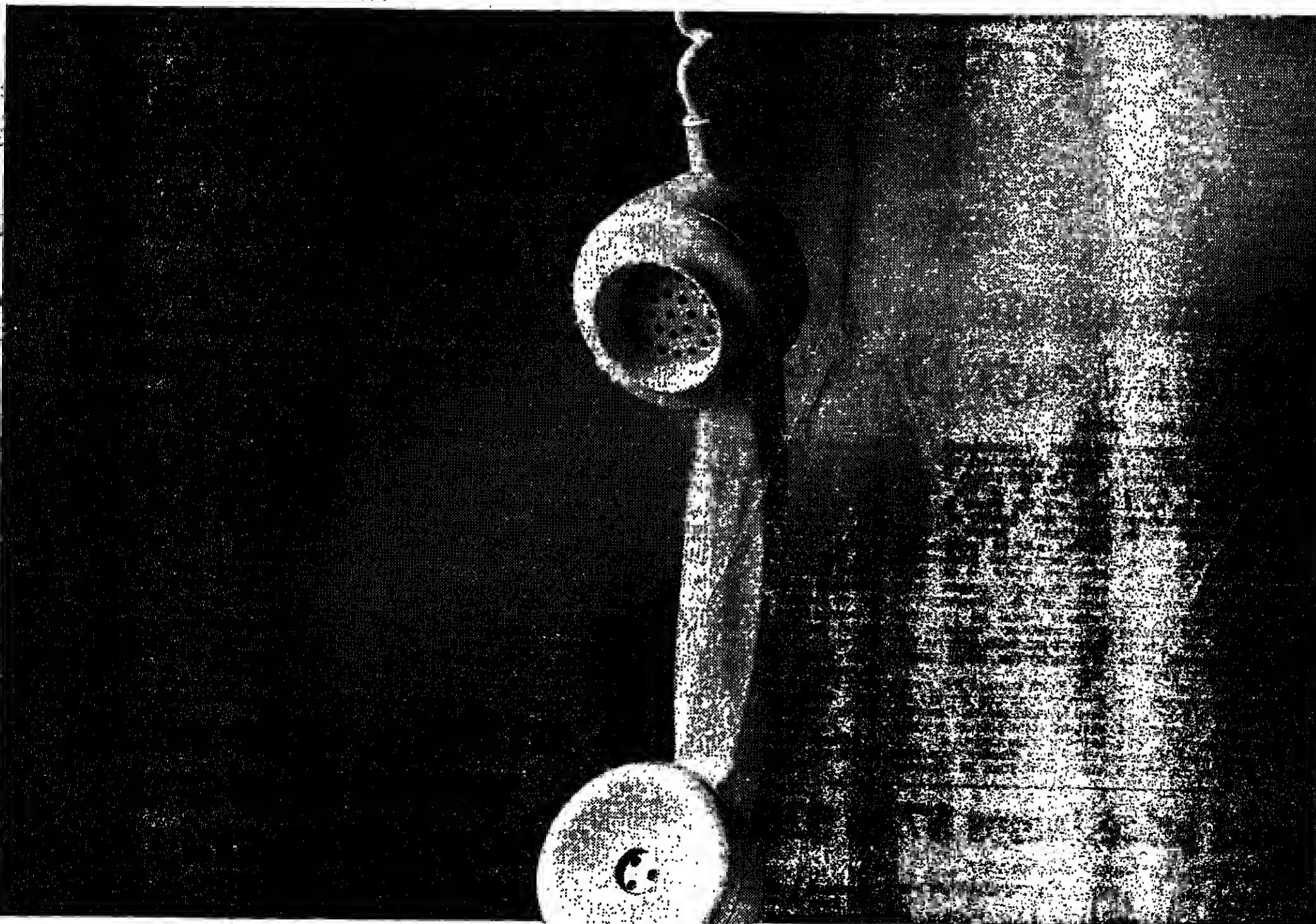
Chinese visit Derby pits

CHINESE mining trainees visit Derbyshire pits this week starting with a tour of the NCB training centre at Grassington near Chesterfield.

The Chinese management trainees are here following a visit to China by Mr. Eric Varley, former Energy Minister and present MP for Chesterfield.

PHILIPS

Simply years ahead



Philips have a message of hope for all hangers-on.

The saddest sentence in the English language must be "Line engaged, caller. Will you hold?" Unless it's "I'm sorry caller, there's no reply".

Philips' new EBX 8000 computerised exchange kills both these irritants, and a good many more.

If a line is engaged, or unanswered, it will automatically transfer the call to another line, or lines, in a pre-arranged rota.

DON'T CALL US, IT'LL CALL YOU
The EBX 8000 will even automatically ring you back if you call an engaged extension, when that extension is free.

It will bring a third party in on a conversation, at your bidding. It has a very ingenious system of abbreviated dialling, which enables you to call München-Gladbach in just three or four digits. (Less chance of mistakes.)

And if you want to prevent your secretary ringing her boyfriend in

Sydney, it has a fendish device that remembers to stop such an abandoned use.

And it does much more to make it literally future-proof—from 300 to 8,000 extensions.

The EBX 8000 typifies Philips' approach to business equipment. Put simply, it's the better mousetrap philosophy.

Philips believe all things are capable of improvement. Inconveniences, snags, snarl-ups and delays are not an inevitable pre-ordained part of business life.

THE MACHINE WITH THE 40,000-WORD VOCABULARY

For instance, Philips have developed a Word Processor with a 40,000-word vocabulary that sets your secretary free from the boring

repetitive part of her job, so she has more time to be a real secretary.

And, in an age when only a senior wrangler can understand some computer systems, Philips have

developed a range of data processing equipment which leads the world in its ease of use and the minimal training of staff needed to work it.

In lighting too, Philips are years ahead with Colour 84, the first fluorescent lighting to combine high light-output with faithful colour rendering.

NOT SEEING THE TREES FOR THE WOOD
Philips are so big in so many fields, it's easy to overlook the fact that they are very big in business efficiency.

In fact, Philips are market leaders in the free world in business communications, telecommunications, dictation systems, and all but the very largest data processing systems.

And, putting our money where our mouth is, Philips spend £400m a year world-wide on research to maintain this leadership.

"Simply Years Ahead" is the claim at the top of this advertisement.

May we prove it to you, in one or more of the business efficiency fields we list opposite?

NOW LET'S TALK BUSINESS EFFICIENCY

If you would like more information about business products and systems from the Philips Group, please ask your secretary to tick the appropriate box:

- Philips Data Systems Electronic Accounting System
- Office Computer System Financial Terminal System
- Small Business Computers

Philips Business Equipment

- Office Dictation System Word Processing
- Pye Business Communications EBX
- Office Intercommunication Public Address Systems
- Closed-circuit TV

Philips Lighting Division

Tel. David Hughes, Philips Industries, Arundel Great Court, 8 Arundel Street, London WC2R 3JF. Please send me your literature on the items ticked above.

NAME _____

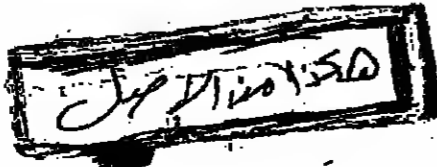
(POSITION IN COMPANY) _____

ADDRESS _____

POSTCODE _____

PHILIPS

A whole new world of knowledge in business efficiency.



FINANCIAL TIMES, published daily except Sundays and holidays. U.S. subscription rates \$365.00 per annum. Second class postage paid at New York, N.Y. and at additional mailing centres.

155

Weizsaecker will not run for W. German presidency

BY ROGER BOYES IN BONN

DR. CARL-FRIEDRICH VON WEIZSACKEL, the nuclear physicist and philosopher, has turned down an offer from the ruling Social Democratic (SPD) Federal Democratic (FDP) coalition to stand as its candidate in tomorrow's presidential elections. His decision will prove a further embarrassment to the Government, which now has no candidate for the presidency.

The majority of the Parliaments of the 11 federal states. The CDU-CSU candidate, Herr Karl Carstens, now appears set for a walkover victory on the first ballot, unless the coalition can produce another candidate. Herr Willy Brandt, SPD chairman, and Herr Hans-Dietrich Genscher, FDP chairman, held lengthy talks yesterday to review the possibility of approaching another potential candidate.

hours to go before the first ballot. If the SPD-FDP does finally choose a candidate, he or she will have to win over 14 Christian Democrat members of the college to secure a first ballot victory. It was generally believed that had the outgoing President, Herr Walter Scheel, agreed to stand for a second term, he could have captured the necessary support from internal opponents of Dr. Carstens.



M. Georges-André Chevallaz, Swiss Finance Minister

Minister to stay on after Swiss VAT defeat

By Brij Khindaria in Geneva

M. GEORGES-ANDRE CHEVALLAZ, Switzerland's Finance Minister, has rejected calls for his resignation, after a crushing defeat in a referendum vote on the introduction of Value Added Tax.

M. Chevallaz said he would not resign because the draft law, rejected by a two-thirds majority vote, was an initiative by the Federal Government, not by his Ministry alone.

He warned, however, that he would have to tighten public spending further, to prevent the Government's budget deficit from rising to unacceptable levels.

After an era of balanced budgets up to 1970, the deficit climbed to SWFr 1.6bn (£455m) in 1976.

It has been held at that level in real terms since then, but officials fear it may rise to nearly SWFr 4bn if new sources of revenue are not found to keep pace with rising demands on government spending.

The calls for M. Chevallaz's resignation came from Left-wing groups who strongly opposed the initiative to introduce an 8 per cent VAT rate combined with some cuts in direct income tax, to replace the 5.6 per cent business turnover tax as the main source of Federal income.

The defeat was the second in less than two years for the introduction of VAT.

Stronger UK line on aid for Turkey

BY DAVID TONGE, DIPLOMATIC CORRESPONDENT

WESTERN GOVERNMENTS hope to reach agreement on an aid package for Turkey of over \$600m at their meeting in Paris scheduled for May 30. Final details are now being worked out, with the new British Government reported to be prepared to play a more active role than its predecessor.

This aid is a direct result of the promises to help Turkey made at the Guadeloupe summit meeting. In the four months since this "emergency aid" was agreed on, Britain has cragged its heels, leaving it in particular to West Germany to co-ordinate arrangements.

The Labour Government argued in private that Turkey seemed bound for chaos and, drawing curious comparisons with Iran, was reluctant to be drawn in deeply.

The Conservatives, however, are putting more emphasis on Turkey's importance to NATO. They also appear to believe that both the Turkish state and the

Turkish Government of Mr. Bulent Ecevit should be able to ride out the crisis. They are thus more willing to contribute to an aid package for Turkey, and to back any multilateral

high as \$200m, is to be largely in the form of credit on concessional terms to allow Turkey to pay for the raw materials it needs to import. Most of the French aid may

President Spyros Kyprianou yesterday strongly denied his Government was imposing an "economic embargo" on Turkish Cypriots—an issue that threatens to mar the atmosphere for the forthcoming peace talks between the two communities, our

Nicosia correspondent writes. Earlier, Mr. Basil Dendekfidis, the Turkish Cypriot leader, warned that if the Export Credits Guarantee Department was to ease of cover by the Export Credits Guarantee Department is unlikely.

Japan has indicated it will offer about the same as the

lowest sum offered by any of the four participants at the Guadeloupe summit. Next week's meeting is being arranged by the Aid to Turkey consortium of the Organisation for Economic Cooperation and Development (OECD).

The aid is expected to have two main conditions attached. The first is that Turkey will reach and respect an agreement with the International Monetary Fund (IMF). Last week, negotiations between the two parties were suspended, amidst mutual recriminations.

However, there is some optimism that an agreement should be possible when negotiations resume next month.

The second condition which is expected to be attached to OECD aid is that there should be continuing consultations over Turkey's economic planning—a demand which the Turkish Government is likely to find hard to accept.

French trade surplus continues

BY TERRY DODSWORTH IN PARIS

FRANCE ACHIEVED a slender trade surplus in April, thanks mainly to strong performances from the agricultural and capital goods sectors, and the containment of its energy bill to only a modest increase.

This is the fourth month in succession that the trade account has been in surplus. During this period, the total balance in France's favour has reached FFr 1.7bn (£189m), according to the seasonal adjusted figures, compared with FFr 366m in the same period last year.

Last month saw some weakening in the export performance. Overseas sales amounted to FFr 33.8bn, compared with imports of FFr 33.3bn, giving a surplus of FFr 500m. This represented only a slight improvement from the previous month's exports, on a seasonally adjusted basis, and, in crude figures, a positive decline—exports, at FFr 34.9bn, dropped by 6.6 per cent compared with March.

However, all the recent economic indicators point to a continuing growth in exports, at least until the August holiday. The longer-term anxiety concerns the impact

of oil price rises on the import bill, which has so far not had to absorb large increases in energy prices.

Last month, agriculture maintained its strong performance in export markets, with a FFr 212m surplus, compared with a FFr 175m deficit in the same period last year. In the first four months, this sector has achieved a FFr 1bn surplus.

Capital goods sales also remain strongly in surplus, at FFr 1.5bn in April—about the same as last year. The consumer goods industry, however, remained in deficit by FFr 332m.

ing in the export performance. Overseas sales amounted to FFr 33.8bn, compared with imports of FFr 33.3bn, giving a surplus of FFr 500m. This represented only a slight improvement from the previous month's exports, on a seasonally adjusted basis, and, in crude figures, a positive decline—exports, at FFr 34.9bn, dropped by 6.6 per cent compared with March.

However, all the recent economic indicators point to a continuing growth in exports, at least until the August holiday. The longer-term anxiety concerns the impact

of oil price rises on the import bill, which has so far not had to absorb large increases in energy prices.

Last month, agriculture maintained its strong performance in export markets, with a FFr 212m surplus, compared with a FFr 175m deficit in the same period last year. In the first four months, this sector has achieved a FFr 1bn surplus.

Capital goods sales also remain strongly in surplus, at FFr 1.5bn in April—about the same as last year. The consumer goods industry, however, remained in deficit by FFr 332m.

Dutch targets 'out of reach'

BY CHARLES BATCHELOR IN AMSTERDAM

HOLLAND WILL be unable to achieve all the economic goals outlined in its "Blueprint 81" programme presented last June.

The worse-than-expected performance of the economy has meant a choice will have to be made on what targets can be reached, according to Mr. Dries van Agt, the Prime Minister.

The "Blueprint 81" programme was intended to cut FI 10bn (£2,360m) off public spending estimates in the three years to the end of 1981, so that

spending would rise to FI 200bn, instead of FI 210bn, from the present level of FI 160bn.

The aims of the plan were to reduce unemployment to 150,000, from present levels of around 210,000, to cut the Government's financing deficit and to improve the competitiveness of industry. It was also intended to prevent increases in taxes and social security payments.

The sluggish performance of

the economy has meant some of these objectives will be difficult to achieve. Unemployment shows no sign of declining, and the Government's borrowing requirement is expected to be around 6.5 per cent of national income this year, higher than the self imposed limit of 6 per cent, and considerably above the 4.5 per cent target.

A disagreement between the two ruling coalition parties is delaying a decision on further economic measures.

The sluggish performance of

Union leaders freed by Istanbul tribunal

BY METIN MUNIR IN ANKARA

MR. ABDULLAH BASTURK, leader of Turkey's left-wing Confederation of Revolutionary Trade Unions, and seven other union leaders who have been in jail for 24 days, were released by the Istanbul military tribunal yesterday pending completion of proceedings against them.

Mr. Basturk and his colleagues were arrested in Istanbul for defying a martial law ban on May Day rallies. During the initial hearing, the military

prosecutor demanded jail terms for the accused. Their release indicates relative leniency by the tribunal. In the past, military tribunals have kept accused in jail for months, and, in some cases, years, until their cases were complete.

One of the union leaders' colleagues is still being held and his case is to be considered later.

Mr. Basturk told the military tribunal that celebrating May

Day was one of the confederation's basic duties. The celebrations constituted a part of the Turkish workers' struggle for preserving and expanding their democratic rights and freedom.

May Day rallies were banned in 19 Turkish provinces (out of 67) which are under martial law to prevent violence. In Istanbul, Turkey's most populous city, the martial law commander declared a 24-hour curfew embracing May Day.

Some 2,500 people were detained, mainly in Ankara and Istanbul, for holding illegal demonstrations.

Among them was Mrs. Behice Boran, chairman of the Turkish Workers' Party and 330 of her followers. They were released last Saturday.

The arrests caused embarrassment to Mr. Bulent Ecevit, the Prime Minister, who prides himself on being a champion of workers' rights.

Ceausescu visits Spain

BY ROBERT GRAHAM IN MADRID

PRESIDENT Nicolae Ceausescu of Romania yesterday began a four-day state visit to Spain, the first by the leader of an East European country. Mr Ceausescu was due to visit Spain in 1973, but postponed the trip because of a major earthquake. The visit symbolises a cautious attempt by the Spanish Government to improve relations with Eastern Europe since the death of General Franco.

Romania adopted a pragmatic attitude towards the Franco dictatorship and agreed in 1967 to establish consular and commercial relations—well before any other Communist country

in Eastern Europe. The Spanish Government has preferred to deal with Romania and Yugoslavia as the two more independent Communist states.

The visit is also expected to lead to an increase in trade. Romania now sells \$61m worth of goods to Spain, including some petroleum, while Spain exports \$46m worth of goods. Spanish exports largely consist of steel and steel products. There is now a \$100m credit extended to Romania by Spain, of which little more than \$1m has been used. Some Spanish businesses are also beginning to look at Romania as a site for joint ventures.

EEC aid team in Uganda

BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT, IN BRUSSELS

THE EUROPEAN Commission has sent a team of development aid experts to Uganda to discuss ways in which the EEC can contribute to the reconstruction of the country.

The Community has more than 70m units of account (almost £50m) available for commitment to Uganda over the next 10 months. This is believed to be the largest sum of money which it has ever dispensed for an emergency effort of this kind.

The money was earmarked for Uganda several years ago but was not spent because EEC governments objected to the Amin regime.

The EEC envisages a special aid programme in three stages. The first has already gone into effect and involves the shipment of food, medical supplies and trucks worth about 300,000 units of account.

The second phase, which is being discussed in Kampala this week, would provide for the restoration of vital services such as surface transport, telecommunications, electricity and water.

The third stage, for which the bulk of the money would be allocated, would cover long-term projects of a traditional kind such as agriculture, industrial and irrigation schemes.

This big Dodge truck is made for car drivers.

The trouble with some non-HGV trucks is that they're small. Sometimes, too small. So whilst they may offer the payload allowance you're looking for, they don't offer the space. Fortunately, a Dodge 100 Series Commando G08 can measure up to your requirements on all counts. Because this non-HGV 7½ tonner has a long wheelbase option specially designed to accommodate bigger bodies. Very often, bodies you're more likely to see on heavier trucks. For example, a long box van with 1000 cubic feet of fully usable loadspace. Or a flat platform 18 feet long. Or a dropsider. Again, up to 18 feet long. And all these bodies require no extensions to the chassis or modifications to the propshaft. Which not only saves money, but could mean less time off the road. And your drivers don't need any modifications to their licences. As long as they're over 18, an ordinary car driver's licence is all they need. Which is only fair. After all, the Commando cab is so modern, so luxurious, it looks just like a family saloon. Take the Commando for a test drive, and you'll discover that appearances aren't deceptive. See your Dodge Dealer and ask to try a demonstrator. Check on price, fast delivery and the 12 months' unlimited mileage warranty. He's waiting for your call. Now.

DODGE COMMANDO

Dodge Trucks CHRYSLER UNITED KINGDOM

EURO ELECTIONS 79

Giscard's men lead in opinion polls although the President stands aloof

BY DAVID WHITE IN PARIS

THE FRENCH are assiduous voters, even when it means turning out on two successive Sundays for an unimportant local election. It is, perhaps, true to form that they should not let a European Parliament campaign go by without making a royal haul out of it.

There are at least three good reasons for the exceptional interest aroused by France's Euro-election. One is that, like Britain, but unlike others, there is a fundamental division between pro-Europeans and nationalists, who by and large, stop short of wanting France out of the EEC but have strong doubts about delegating power to Brussels or Strasbourg.

M. Jacques Chirac, the Gaullist leader, he has complained about "massive, excessive, official propaganda" put out by the French media. The television channels, he said, were heating people over the head with presidential and prime ministerial appearances.

Discussion of European issues has, so far, been buried under the domestic political implications associated with the campaign. There is, of course, the issue of EEC enlargement and France's Gaullists and Communists will form almost the whole of the European Parliament's anti-enlargement body. But argument about the kind of Europe the contestants want will come, if at all, only, now, in the final stages.

German ecologists' campaign: The caterpillar principle

BY ROGER BOYES IN BONN

GREEN, UGLY caterpillars become attractive brown butterflies because, Herr Herbert Grühl tells his young audience, their cells are programmed for change.

More money, says the ecologist programme, should be poured into finding and developing new sources of energy—particularly solar, wind and water generated power—and into energy conservation techniques.

Nationalists demand 15 seats for Wales

BY ROBIN REEVES, WELSH CORRESPONDENT

PLAID CYMRU, the Welsh Nationalist party, yesterday launched its European election manifesto with a demand for full national status for Wales within the EEC, and 15 MPs in the Strasbourg Parliament—the same number as Ireland, which has a similar population.

Because of the party's consistent opposition to the Common Market, both before entry and in the 1975 referendum, only Plaid Cymru Euro-MPs will have the credibility to represent Wales in Europe, the manifesto adds.

On steel, it says that implementation of the Davignon plan will result in the loss of 20,000 steel jobs in Wales. On coal, the Common Market regards the South Wales industry as "unviable" though the pithead price is almost the lowest in Europe.

It will accelerate unemployment and depopulation, and against a common foreign and defence policy. This would "generate another military super-power and threaten world peace," it says.

Relations warmer between Berlinguer and Marchais

BY RUPERT CORNWELL IN ROME

SIG. Enrico Berlinguer, leader of the Italian Communist Party, and his French counterpart, M. Georges Marchais, were last night holding in Turin a joint meeting that should provide one of the most interesting events so far in Italy's campaign for direct elections to the European Parliament.

While the French Communists are fighting the first-ever direct elections on a sceptical, if not hostile platform, the Italian party is much more favourable. The differences between them in fact prevented any agreement on a precise common programme.

SHIPPING 2000 The Evolution of Maritime Trade in the next 10 to 25 years An International Conference held under the auspices of the British Shippers' Council London Hilton—June 19th and 20th, 1979

THE JUNGESZIALISTEN, the SPD's militant youth wing, has campaigned actively against the Gorleben reactor plans. There is an irony here: While the ecologists are pleased that the political parties, especially the SPD, are becoming more critical towards nuclear power, they also recognise that this will take votes away from the "green" movement.

Relations warmer between Berlinguer and Marchais

BY RUPERT CORNWELL IN ROME

SIG. Enrico Berlinguer, leader of the Italian Communist Party, and his French counterpart, M. Georges Marchais, were last night holding in Turin a joint meeting that should provide one of the most interesting events so far in Italy's campaign for direct elections to the European Parliament.



Sig. Enrico Berlinguer



While the French Communists are fighting the first-ever direct elections on a sceptical, if not hostile platform, the Italian party is much more favourable. The differences between them in fact prevented any agreement on a precise common programme.

ROLLS ROYCE logo and list of dealers: If you are interested in buying or selling a Rolls Royce Motor Car manufactured between 1904 and 1979 please contact your nearest Dealer.

Handwritten scribble in the top right corner of the page.

Leftmost column of text containing various notices, advertisements, and short news items.

Section titled 'UNDERGROUND' STOCKS. Discusses the price of 'The' stocks and market conditions.

Section titled 'AMERICAN RAILROAD EARNINGS'. Reports on the earnings of American railroads.

Section titled 'THE FINANCIAL TIMES'. A notice or advertisement for the newspaper.

Section titled 'THE SCANDINAVIAN RAILWAY COMPANY'. News about the railway company's operations.

Section titled 'STOCK EXCHANGE SETTINGS'. Information about stock market settings and prices.

Section titled 'DIVIDENDS AND REPORTS'. News about company dividends and reports.

Section titled 'THE FINANCIAL TIMES'. Another notice or advertisement for the newspaper.

Section titled 'THE FINANCIAL TIMES'. A notice or advertisement for the newspaper.

Section titled 'THE FINANCIAL TIMES'. A notice or advertisement for the newspaper.

Section titled 'THE FINANCIAL TIMES'. A notice or advertisement for the newspaper.

Section titled 'THE FINANCIAL TIMES'. A notice or advertisement for the newspaper.

Section titled 'THE FINANCIAL TIMES'. A notice or advertisement for the newspaper.

Section titled 'THE FINANCIAL TIMES'. A notice or advertisement for the newspaper.

Section titled 'THE FINANCIAL TIMES'. A notice or advertisement for the newspaper.

Section titled 'THE FINANCIAL TIMES'. A notice or advertisement for the newspaper.

Section titled 'THE FINANCIAL TIMES'. A notice or advertisement for the newspaper.

Section titled 'THE FINANCIAL TIMES'. A notice or advertisement for the newspaper.

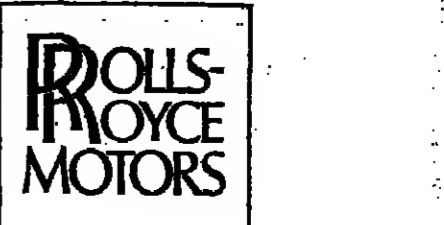
The merger the 'Financial Times' missed in May 1904.

Text describing the initial impact of the motor car and the vision of Rolls and the engineering genius of Royce.

Text describing the ability to cover over 14,000 miles without a single involuntary stop and the principles that accomplished this.

Text describing the unreliable aero-engines of the day and the importance of the project.

Text describing the grace notes on a textbook example of advanced engineering and the complexity of an ordinary speedometer.



OVERSEAS NEWS

Egypt likely to request more U.S. military aid

BY ROGER MATTHEWS IN CAIRO

EGYPT IS expected to increase its demands for additional U.S. military equipment beyond the \$1.5bn package already agreed in outline. A four-man U.S. delegation is due to begin talks in Cairo today with General Kamal Hassan Ali, the Defence Minister, on the final details of the arms to be supplied under the agreement reached after the signing of the peace treaty with Israel. However there are indications from both U.S. and Egyptian officials that recent Arab action against the Government of President Anwar Sadat may force a reassessment of Egyptian military requirements. Saudi Arabia is now no longer expected to finance the purchase of 50 F-5E fighters from the U.S. and has also said that it intends to dissolve the Arab arms manufacturing industry that was intended to build

helicopters, anti-tank missiles and fixed-wing aircraft in Egypt. The Saudi attitude is understood to have caused some concern at senior armed forces level in Egypt, especially as an important part of the country's Soviet-supplied equipment is reaching the end of its operational life. Mr. Sadat will obviously be anxious to move swiftly in order to allay any such concern. Mr. Hermann Eilts, the former U.S. ambassador to Cairo, left here on Sunday, having apparently failed in an attempt to repair the breach between Egypt and Saudi Arabia. He flew to Rome at the end of last week for a meeting with Crown Prince Fahd of Saudi Arabia but, according to diplomats, there was little indication of a change in Saudi policy.

Mr. Eilts's apparently abrupt departure from Cairo after nearly five and a-half years as ambassador has caused some anxiety. It had been expected that he would delay his departure at least until after the visit of Mr. Cyrus Vance, the U.S. Secretary of State, later this week, and the celebrations to mark the return of El Arish, the capital of Sinai to Egyptian control. Mr. Eilts is known to have been deeply concerned about the failure to keep Saudi Arabia at least a passive spectator to the peace process and may have wished to see U.S. policy handled rather differently. No date appears to have been fixed yet for the arrival of his successor in Cairo, Mr. Alfred Atherton, who was previously special U.S. envoy to the Middle East.

Muzorewa urges West 'to wipe slate clean'

By Tony Hawkins in Salisbury BISHOP ABEL MUZOREWA, Zimbabwe/Rhodesia's Prime Minister-elect, yesterday called on Britain and the U.S. to stop punishing the majority of his countrymen for the misdemeanours of the white minority who declared independence unilaterally. He said it was time for the two major Western powers to adopt new and positive policies. "Let us wipe the slate clean," the Bishop said. It Britain and the U.S. took the lead he was confident that other countries would follow. Leslie Collis reports from Berlin: An East German military delegation of 20 is in Zambia for talks with the Zambian Defence Minister and President Kenneth Kaunda. The delegation is headed by General Heinz Hoffmann, East Germany's Defence Minister, and includes three of his deputies and several other generals. Herr Erich Honecker, East Germany's President and Communist Party leader, visited Zambia in February as part of a tour of front-line states aligned against Rhodesia. President Banda praised East Germany for its aid to liberation movements. President Honecker also met Mr. Joshua Nkomo, co-president of the Patriotic Front and Mr. Nkomo thanked him for the "all-round international support of the GDR for the people of Zimbabwe. East Germany has acknowledged that it regularly evacuates wounded guerrillas of the Patriotic Front to East German hospitals and reports that supplies are airlifted from East Germany to Zambia for the front. However, until now East Berlin has not indicated that military aid might be involved.

CALL FOR MORE DEMOCRACY IN NEPAL

King faces pressure for reform

BY CHRIS SHERWELL, RECENTLY IN KATMANDU

NEPAL'S King Birendra is one of the last of the world's all-powerful ruling monarchs. But the 33-year-old Eton and Harvard-educated monarch is at the centre of a battle which could threaten his throne or, at least, reduce his power. Pressures for a more democratic form of government have come from protesting students and determined radicals. But fundamental changes are being resisted by conservative forces within the royal family and the King's shadowy group of advisers. Until now they have managed to thwart any criticism of the regime. King Birendra's portrait—be it widely revered as the reincarnation of a Hindu deity—hangs in most shops and offices. Ten-minute news broadcasts on the state-controlled radio often mention him more than 40 times in a single bulletin. But which way the King himself is inclined remains a mystery. Indeed, it is extraordinary how little is known publicly both of palace politics and of political developments at the grass roots. Though Nepal has been open to outsiders for over 25 years, its establishment politics remains almost a closed book and the mood of people in vast tracts of inaccessible land is unknown. Few people doubt, however, that King Birendra is facing his toughest test since he acceded to the throne seven years ago. Matters were brought to a head by the strike of university students which began in April. It caught the authorities by surprise, in spite of their intelligence network across the scattered campuses. It was largely thanks to the Government's incompetent handling that a student demonstration of disgust at the hanging of Mr. Bhutto in Pakistan became a national movement that proved virtually impossible to contain.



As the demonstrations spread from Katmandu to other parts of the country, at least seven lives were lost and a number of people were injured in police firing. The unofficial death toll is much higher. After mass arrests failed to stop the unrest, the Government had to climb down. It appointed a royal commission to look into student grievances, the Education Minister resigned, and the university authorities ordered several much-sought-after academic

blown into a national crisis because the Government was totally isolated," he said. He has called on the King to implement substantial reform. Certainly the need for internal stability is pressing. Nepal's agriculture-based economy is weakening dangerously, and the country remains one of the poorest in the world. Agricultural production cannot keep up with population growth and malnutrition is common. Ninety per cent of people living in rural areas drink polluted water and infectious diseases are widespread. More than 200 of every 1,000 children born die within a few months. Average life expectancy is 42. Tourism is booming—it has overtaken Gurkha pensions as a source of foreign exchange—and aid continues to flow in. But there is concern about the impact of the latest troubles on aid-donors and on foreign visitors. A climb in grain exports and a setback in grain imports have led to a big rise in the trade deficit. It is far from certain that a 44 per cent increase in the deficit this year will be covered by tourism and aid. Nepal's strategic location between India and China also makes it a terrain for subtle proxy battle, both for these powers and for the Soviet Union. Although there is little hard evidence of it, most people suspect an outside hand has guided and sustained the latest unrest. For the king there is now a clear need to escape being identified totally with every sign of a deeper malaise, whether he is responsible for it or not. While it is obvious that he was behind the decision to make concessions to the students, he is also associated with the tough action over their demonstrations. If the perceptible decline in his popularity accelerates the issue of how he exercises his power may be overtaken by the question of whether the monarchy can survive. Political reform must therefore focus at the very least on the Panchayat system established by Birendra's father. This permits direct elections at the lowest village level only, and forbids political parties. Only carefully screened candidates are allowed to stand for office. Elected village assemblies choose councils or Panchayats which in turn elect district assemblies and Panchayats and, at the highest level, a 135-member national Panchayat. Reforms now being mooted include making the Prime Minister and his Cabinet responsible to the national Panchayat, giving this body more legislative power and having its members elected by the village assemblies. But changes may have to await the opening of the budget session of the national Panchayat next month and possibly even a national convention of present and former Panchayat members. The question is whether such reforms will be enough. For the people around King Birendra in the palace they will be far too much. But no one outside the palace doubts that the king must dilute his powers if he wishes to preserve the Panchayat system. The Opposition believes he must do still more if he is to survive the survival of his throne.

Israelis delay autonomy plan

BY DAVID LENNON IN TEL AVIV

THE ISRAELI cabinet yesterday decided not to table its controversial 23-point plan for the future of the West Bank and Gaza Strip when negotiations start in Egypt on Friday on the proposals for Palestinian autonomy in the occupied territories. This decision follows requests by both Mr. Ezer Weizman, Defence Minister, and Mr. Moshe Dayan, Foreign Minister, to be allowed to withdraw from the negotiating team because they disapproved of the presentation at this time, of the detailed Israeli positions. Mr. Weizman felt it would hamper the normalisation of relations with Egypt. The cabinet approved the programme detailing the Israeli

reception of autonomy, but agreed not to present it at the opening round of the talks in response to the request from Mr. Weizman. Following this, the two senior Ministers are reported to have agreed to remain as members of the six-month negotiating team which will use the programme as a guideline. The Israeli programme, drafted by Mr. Menahem Begin, the Prime Minister, includes demands for continued control over public land, water, and internal security in the territories after autonomy is established. The Prime Minister also added two declarations: that Israel will demand sovereignty over the West Bank and Gaza

Strip at the end of the five-year transitional period, and that Israel will never accept the creation there of a Palestinian state. Mr. Dayan objected to the demand for sovereignty being made public at this time. In addition to the 23-point manifesto, Israel has prepared a list of conditions which it considers vital for ensuring its security and preventing the autonomy regime evolving into a Palestinian state, according to the morning paper Haaretz. Prepared by a team of officials headed by Dr. Elyahu Ben Elissar, director of the Prime Minister's office, it details a number of specific limitations on the power of the Palestinian administrative council which is due to be set up under the autonomy proposals.

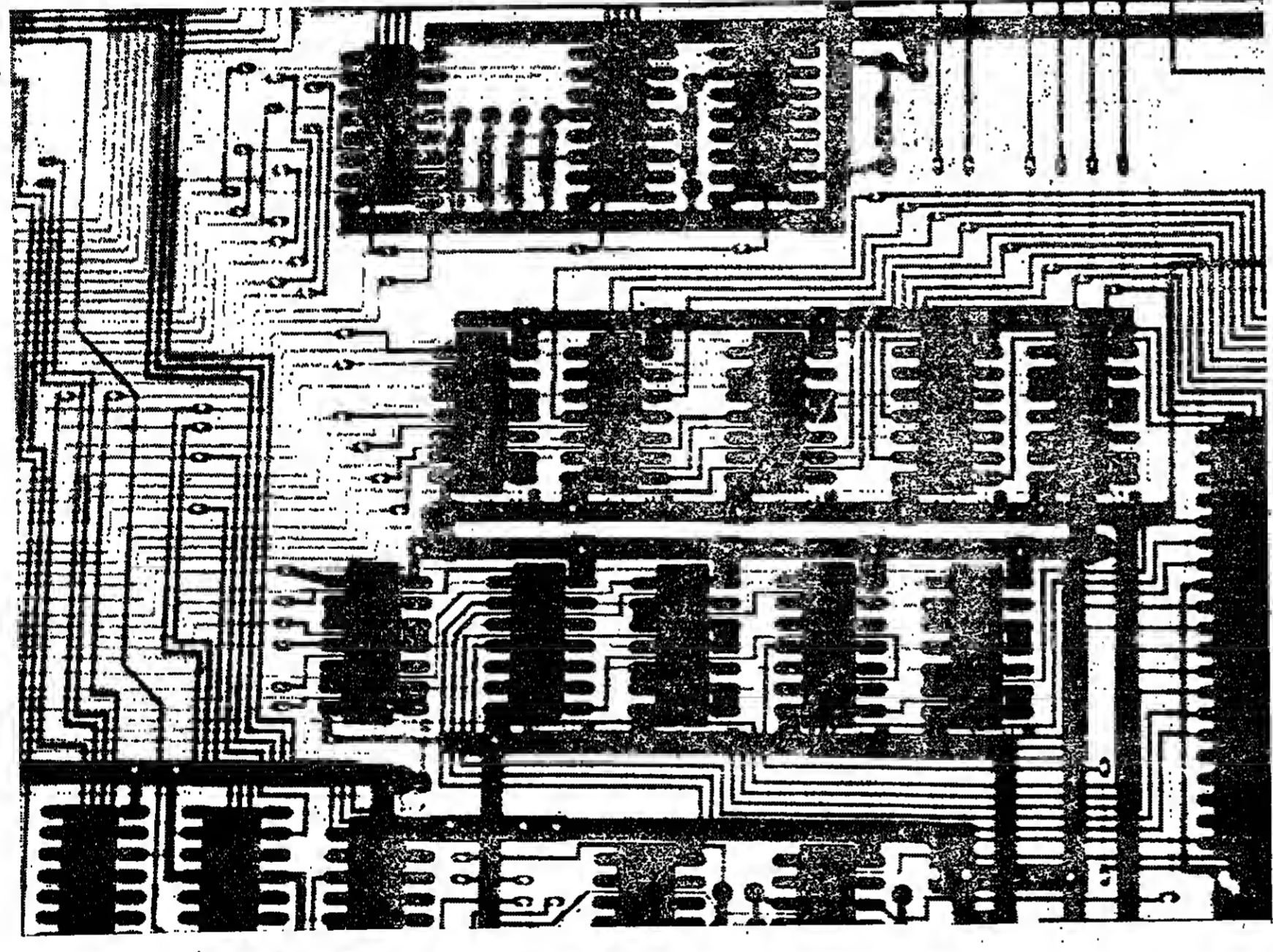
Cuba issue splits the non-aligned

BY K. K. SHARMA IN NEW DELHI

CUBA'S CLOSE ties with the Soviet Union threaten to split the non-aligned movement whose members, mainly in Asia, Africa and Latin America, account for about three-quarters of the countries in the world. The next summit meeting of the movement is due to be held in Havana in September. A number of African countries and some Asian members have vigorously opposed the holding of the conference at Havana on the grounds that Cuba is no longer non-aligned because the Soviet Union is using it for armed intervention in places where Moscow does not want to be involved directly. Cuban activity in the Horn of Africa is cited as an example. Opposition to Cuba is such that it is expected to be the focus of the meeting of the Co-ordinating Bureau of the non-aligned movement to be held in Colombo from June 6-9 to prepare for the summit. Indian sources fear the tussle at Colombo could lead to the collapse of the movement. Hectic diplomatic moves are now being made by the main members of the non-aligned group, such as India, Yugoslavia, Indonesia and Sri Lanka, to save the day. The big powers, meanwhile, are making their own efforts to ensure that the

movement does not swing against them. Indian sources feel that whether or not Havana remains the venue of the next summit, some of the members will boycott the meeting. If the venue is changed, Cuba and those close to Russia may resent the decision to the extent of quitting. Hence the lobbying now in progress in Asian and African capitals to find a formula that will save the movement which was founded in the 1950s by Nehru, Tito, Nasser, Bandaranaike and Sukarno. Since then, its character has been altered, mainly because of detente between the U.S. and the Soviet Union. But the main proponents of non-alignment believe the movement is still relevant. Apart from Cuba, two other issues threaten the movement. The first is the representation to be given to Cambodia since both Pol Pot and the new regime claim to represent the country. Both have been asked to send representatives to Colombo and a clash on the issue is certain. Whatever the outcome, it is bound to have an impact on recognition of the Vietnam-backed regime Pnom Penh by non-aligned countries. Secondly, there is a strong move on the part of Arab members to seek the expulsion

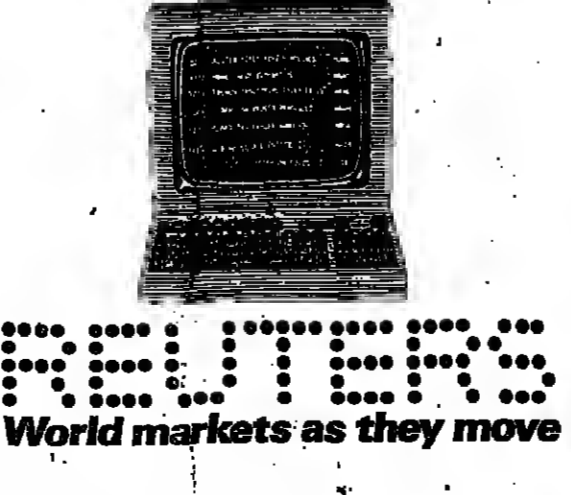
of Egypt on the ground that it has signed a treaty with Israel at the instance of the U.S. China freed 120 Vietnamese prisoners in exchange for 43 Chinese yesterday in the first releases since the Sino-Vietnamese war earlier this year. According to a Reuters report from Peking, all those exchanged were said by the Chinese to be wounded or sick. China has said it is holding about 1,600 prisoners and announced on May 11 that it would begin freeing them in groups, even if Hanoi did not reciprocate. Vietnam has said it is holding about 240 Chinese.



When it comes to reporting world markets this is how our mind works

The printed circuit board is integral to developments in computers and communications. Reuters has invested large sums to provide over 10,000 clients in more than 100 countries with one of the most sophisticated worldwide computer networks, to ensure that they receive the first class service they rightly demand. Modern communications provide our international team of 550 journalists with the tools they need to report market-moving developments to the world's financial centres. We spend large sums on development. In most years we introduce a major innovation to improve our services.

For example, in 1978 we moved into a new London Technical Centre, which is one of the most advanced computer centres in the world. This year we are doubling the capacity of the communications we use internationally to carry stock and commodity market prices, so that we can increase speed and volume. Our trunk circuits operate at an average 99.25% reliability. We are now duplicating our main communications network to make our services even more reliable. You may not have fully appreciated until now the strength of our communications support, but you should find it reassuring.



Advertisement for 'BANKING IN THE UNITED STATES' by Dr. Harry Guenther. It is the 2nd Edition, revised in 1979. The author is a past president of Golembe Associates Inc., a leading bank research and consulting firm. The book contains over fifty statistical tables, updated for this new edition. Price: £15 in the UK; U.S.\$36.00 outside UK, including airmail. For further details and order form please write to: The Banker Research Unit, Greystoke Place, Fetter Lane, London EC4A 1ND.

Advertisement for Cartier LTD. offering highest prices for jewellery. Includes contact information: write phone or call Cartier LTD, 175 NEW BOND STREET, LONDON W1V 6QA, 01-493.69.62.

Handwritten text in Arabic script: 'صكنا من الاصل'

1550

HOW TO SAVE 1/4p.

Choosing the right truck is an important financial decision, but do you know just how important?

A mere 1/4p a mile difference in overall running costs between two makes of truck each doing 100,000 miles works out at a saving of £250.

With 20 trucks that's £5,000 saved. Over 400,000 miles, that's a saving of £20,000.

Nearly enough to buy yourself a new truck.

And the difference between the very best and the very worst truck can work out at considerably more than 1/4p.

Clearly it's vital that your company runs the most cost effective trucks.

To help you make your choice, here are some of the conclusions drawn from an independent test conducted by "TRUCK" magazine on Europe's best trucks.

It's worth noting that an M.A.N. truck came out on top and as such was voted by an International Jury, "TRUCK of the Year 1978".

"Spectacular economy?"
"The ability to earn revenue at low cost, to perform adequately with the utmost safety, to keep on working with the minimum interruptions and to achieve all this with a commendably simple design are the award-winning features of the M.A.N. 16.280.

It is a vehicle that has been aimed squarely and clear-mindedly at the requirements of the fleet operator, without calling on the powers of "exciting design" that can look so attractive on paper but which can be such a nightmare in practice.

Praise for the winner's spectacular economy came from all the jury.

"Minimum costs?"
"In trucking there is little room for untried innovations, exciting but unproven gadgetry, far-out engineering that does not have a very sound logic behind its adoption.

The European trucker wants something that he can rely upon to do a good job of work; and to most truckers that means shifting the maximum amount of freight at the very lowest possible cost and to keep on doing that week in, week out, month after month.

That is exactly why the 280 has won such a good reputation in so short a time. It does just that.

Good driver environment affects business economics.

A comfortable driver, is a safer, more efficient driver.

And a safer, more efficient driver means

a more efficient, profitable company.

Here are some of the "TRUCK" jury comments.

"Cab appointments are possibly the best combinations of comfort and practicality that can be found in Europe today.

It is all based round a very strong steel shell which meets EEC standards as is.

Seating specification includes Isringhausen suspension seats for both crew members (marketed as the Derby in most places).

Certainly in many hundreds of kilometres that we've covered, the 280 has met every road and ride situation with commendable comfort.

Detail cab fittings include very well made lockers for papers, containers for hot-drink flasks, high quality upholstery in breathing vinyl fabric, the whole being washable or even scrubbable in the event of it getting dirty.

There is a great deal more detail to the M.A.N. 280s than we have been able to examine here.

The cab for example, tilts in seconds to a full 60°.

The frames are all-bolted in accurately pre-drilled holes, which not only gives a very strong frame but makes chassis repairs a relatively simple task.

Brakes have generous lining areas, that produce long intervals between relines.

Under-cab insulation is thorough indeed, making the cab arguably the quietest around; it was certainly the quietest of the 17 trucks that we've put through our European test programme.

Standards of fit and finish are superb throughout and, above all, it's uncomplicated.

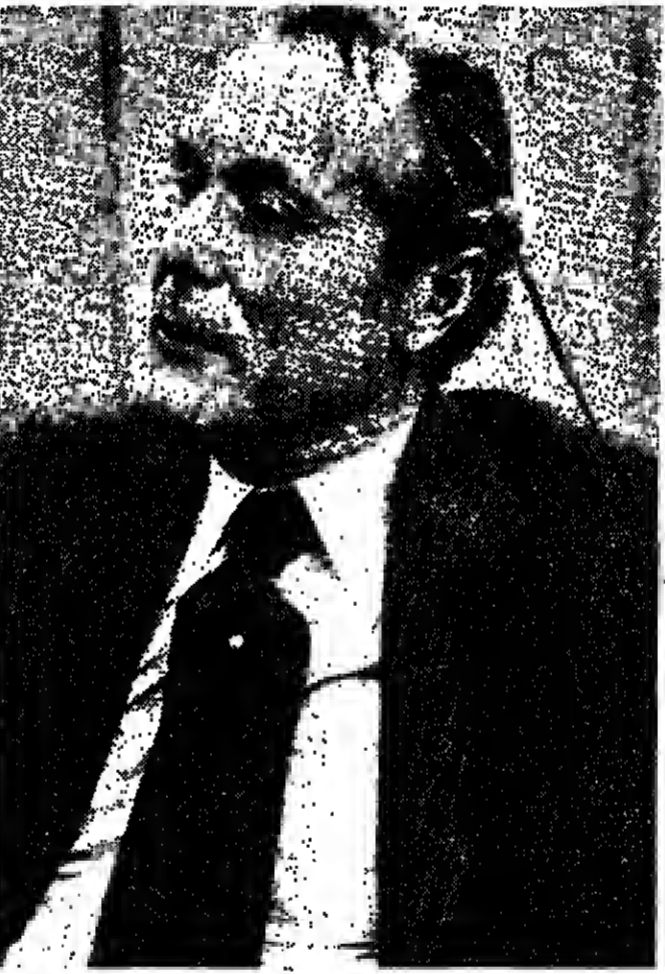
There is no risk of the maintenance staff having a heart attack merely at the sight of the chassis for it's significantly cleaner and tidier than most.

Consequently, the immediate success in the operating arenas of Europe is not luck - the 280 won its spurs in fair and open combat!

Buyers Queue Up.

"TRUCK" also interviewed Otto Voisard, Managing Director of M.A.N., pictured here.

This is what he said:
"Operators quickly found out that the 280 was not only the most economic M.A.N. they had ever encountered, but also more economical than virtually any other truck in the 36 to 38 tonne field.



Operational reliability also proved to be very good.

Thus, with low running costs, high utilisation, the annual tonne-kilometres available were higher by an unusually big margin.

And, on top of all that, unit cost was low.

Buyers continue to queue up.

Like it or not, trucks still have to be taken into towns and it's up to us, the truck makers, to ensure that trucks cause the minimum disruption to normal life.

The in-line turbo engine is a good tool with which to do this.

We can tune it to optimum output and noise and emission suppression relatively easily.

Coupled with that the provision of a very flexible transmission enables the driver to use his truck in the best possible way."

Parts M.A.N. made.

Practically every part in an M.A.N. truck we make ourselves.

From the axles, almost down to the last nut and bolt.

And we have more than 50 years' experience in manufacturing automotive diesel engines with direct fuel injection.

M.A.N. and Volkswagen.

And now M.A.N. has joined forces with Volkswagen.

To give you an unbeatable range of trucks.

It's probably the greatest thing to happen to transport since the invention of the diesel.

Which, by the way, we invented.

16.240 or 16.280? Talk to your Transport Manager.

In some respects, the choice between the M.A.N. 16.240 and 16.280 Artics is a difficult one.

These are both superb machines, but each is ideal for different jobs.

So consult your Transport Manager. He'll be able to advise which is best for your company's operations.

He'll know that the unmatched M.A.N. cab is standard on all vehicles in our range, to give the best driver environment in Europe.

The choice for him will be between the naturally aspirated 16.240 with its legendary reliability and lack of downtime and the turbo-charged 16.280 which gives that extra power for those long arduous hauls.

And since the "TRUCK" test we've actually improved our 16.280.

The gear shift is on the deck, not on the steering column.

And we've gone over the cab with a fine tooth-comb to make it even more comfortable.

Other models in the range have also received accolades from "TRUCK" magazine.

For example, the 30.240... "an unusually quiet and refined big tipper.

Laden ride was first class, and even when pulling hard the engine was barely audible."

MEMO TO FROM

To say an M.A.N. truck is a good investment for your company is an understatement. So do make sure you talk to your Transport Manager.

Or drop him a line on the above memo - and why not send the ad?

But do it now. Before you lose another 1/4p.



AMERICAN NEWS

Cubans arrive to help Grenada

By Tony Cozier in Barbados



Maurice Bishop... Cuban help

An eight-man Cuban delegation has arrived in Grenada to discuss ways of assisting the new government of the Caribbean island...

Mexico to cut ties with Nicaragua

CANCUN, MEXICO—President Jose Lopez Portillo announced that Mexico is breaking diplomatic relations with Nicaragua because of the "horrendous genocide" committed by the government of President Anastasio Somoza...

Rohatyn returns

MR. FELIX ROHATYN is expected to make a temporary return to the chairmanship of the Municipal Assistance Corporation, the New York State body responsible for raising a substantial portion of New York City debt...

NRC considers delays on power plant licences

BY DAVID BUCHAN IN WASHINGTON

THE NUCLEAR Regulatory Commission is being asked to consider a moratorium on new construction and operating licences for U.S. nuclear power plants in the U.S. as recommended by various Congressional committees in recent weeks...

Carter plan for fuel-efficient cars

BY JOHN WYLES IN NEW YORK

PRESIDENT Jimmy Carter appears ready to spend \$50m in the next fiscal year and possibly \$100m a year thereafter on a new joint research programme with the motor industry aimed at developing more fuel-efficient cars...

Oil imports 'may rise to \$175bn'

BY HILARY BARNES IN COPENHAGEN

U.S. OIL imports could rise to a value of \$175bn by 1990, equalling the total value of U.S. merchandise imports in 1978, Dr. Rimmer De Vries, senior vice-president of Morgan Guaranty Trust, and editor of World Financial Markets, told a seminar here at the weekend...

Target for Budget deficit agreed

BY OUR WASHINGTON CORRESPONDENT

HOUSE and Senate negotiators have agreed on a target of \$220 billion for the 1979-80 federal Budget, considerably less than the \$234 billion deficit projected by President Carter in his January Budget proposal...

Airline reaches tentative deal

BY JOHN WYLES IN NEW YORK

UNITED AIRLINES, the largest U.S. carrier which has been shut down by strike action for more than seven weeks, could be flying again by next Monday, following a tentative agreement with union leaders at the weekend...

what the commission would decide, they pointed out that no licences had been issued since the Three Mile Island accident—which could be considered a de facto moratorium...

Mr. Adams said at the weekend that specific proposals for the joint programme would be submitted to the President within four months. Some contribution by the oil companies is also envisaged, but the main effort would involve motor companies, universities and some other independent researchers...

He predicted that the OPEC countries' surplus in 1979 would double to about \$25bn, but said that the financial surplus in the coming decade was likely to be of "manageable proportions"...

Though Congress has clearly answered Mr. Carter's call for budgetary restraint in at least one place, his intention to give the Defence Department \$138.6bn next year, or \$1.6bn less than the President asked for, may cause some Administration concern...

amount to around a 40 per cent increase in pay and benefits over three years. If this proves acceptable, United will be anxious to win back its share of the market quickly...

First A-300 order for Japanese airline

By Michael Donne, Aerospace Correspondent

JAPAN'S Toa Domestic Airlines (TDA) has signed a \$225m (£110m) contract with Airbus Industrie to buy six A-300 Airbus...

Fuel cutbacks and price rises hit carriers

By Our Aerospace Correspondent

THE WORLD'S major airlines are coping well with a cut in fuel supplies averaging between 5 and 20 per cent, according to region and few services have been cancelled in recent weeks because of shortages...

Elsewhere in the world, the position is worse. British Airways is finding its supplies at Amsterdam, Brussels and Copenhagen "critical" but it expects to get by through the rest of May by buying additional supplies at 96 cents a gallon from local refineries...

The U.S. Department of Energy warned the airlines recently that the fuel allocations might become even tighter in the months ahead, and it has been suggested that airlines should practice their own tighter conservation measures...

China drawing up new law on imports and investment

BY JOHN HOFFMANN IN PEKING

CHINESE ECONOMISTS and lawyers are now working on a code of commercial law which, if internationally accepted, is likely to have far-reaching effects on import contracts and foreign investment...

Trade talks between China and the Soviet Union for 1979 are expected to begin in Moscow next month, informed diplomatic sources said in Peking, Reuters reports. The sources said Sino-Soviet trade was continuing to expand, and contracts reached in 1978 included the delivery of aircraft and helicopters to China...

Third World leans on E. Bloc

BY BRIJ KHINDARIA

DEVELOPING COUNTRIES are seeking real and large transfers of wealth and technology from the Comecon countries. This is apparent from the sharp criticism of the Soviet Bloc's trade and aid policies being voiced by the Third World at the current UNCTAD conference in Manila...

Kaiser to oversee Jordan cement plant construction

BY RAMI G. KHOURI IN AMMAN

KAISER ENGINEERS, the U.S. consultants, have been awarded a contract to review designs and supervise construction of a new \$100m (44.2m) Portland Cement plant to be built in southern Jordan...

investors as sufficient security for a financial commitment. Although China's light industrial sector was recovering more slowly than had been expected, Shanghai's first major export-oriented factory scheme was working successfully, according to Mr. Yeh...

Direct contact between foreign buyers and factory management was now possible, resulting in speedier negotiations and a more flexible response to buyers' requirements. The co-operative management by industry and trade departments would be extended to other manufacturing industries in Shanghai, said Mr. Yeh...

protectionism by the West has forced developing countries to look for greater access to Communist markets, which however tend to be restricted by red tape and rigid economic planning methods. A report by the UNCTAD Secretariat suggests that more thought should be given to multilateral trade arrangements among Comecon and developing countries...

Toyo Kogyo in Wankel car sales drive

By Kenneth Gooding, Motor Industry Correspondent

TOYO KOGYO of Japan expects to sell 3,000 of its Mazda RX-7 sports cars powered by Wankel rotary engines in Europe this year and possibly twice that number in 1980. The cars have a retail price equivalent to about \$16,000 each or a total of \$48m in sales this year alone...

Jurek Martin, in Toronto, looks at the contenders in the election and its likely effect on the future of Quebec separatism

Parties level pegging as Canadians go to the polls

TODAY'S General Election in Canada is as important as it is politically complicated. Its significance goes far beyond whether it will end or prolong the 11-year Prime Ministership of Mr. Pierre Elliott Trudeau as the longest-serving Western head of government...

stretch the Liberals have been catching up while the NDP has been doing ever better. But the election may turn almost entirely on the results in Ontario, the most populous province, and often the bellwether of Canadian political sentiment...



In western Ontario, where Mr. Trudeau's unpopularity and the weariness of voters with the Quebec issue is most extremely felt, the Liberals could nearly be wiped out, with the Tories and the NDP, which did well in provincial elections in British Columbia...

majority government as they did in 1963 and 1974. Tory gains in the province have always put them close to power, as happened in 1972, when Mr. Trudeau survived as head of a minority government...

Broadbent and the N.D.P. But if the Tories are within an inch of a majority, then scheming to stay in office may avail Mr. Trudeau nothing. Indeed, an understanding between the Tories and the N.D.P. cannot entirely be ruled out, given some similarity of views on budget policy and the need for tax cuts in particular...

On the other, he is still seen as a strong, tested leader, which is more than can be said for either Mr. Clark, whose capacities are unknown, or even Mr. Broadbent, although it is obvious that this urbane and intelligent politician has given the NDP a new cloak of respectability in the country and has enabled it to swim against the conservative tide...

Handwritten note: "The Price is 1.50"

Air passengers up by 14%

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

PASSENGER TRAFFIC at the seven airports owned by the British Airports Authority rose by 14 per cent to reach 39.8m at the three south-east airports—Heathrow, Gatwick and Stansted—the rise was also nearly 14 per cent to just under 35m passengers.

The authority pointed out that, even assuming that the proposed fourth terminal at Heathrow and the second terminal at Gatwick are approved, the capacity available will not be able to meet the anticipated traffic growth by the late 1980s.

The authority pointed out that, even assuming that the proposed fourth terminal at Heathrow and the second terminal at Gatwick are approved, the capacity available will not be able to meet the anticipated traffic growth by the late 1980s.

virtually the same site as Cullington, near Aylesbury, which was Roskill's choice but which the Government rejected as totally unsuitable environmentally. Langley is near the Nuthampstead site which Roskill originally considered, but eventually rejected.

Private health care is defended

BY PAUL TAYLOR

THE British Medical Association and private medical care companies yesterday defended the role of private health care in the wake of trade union threats on pay beds.

On Sunday the National Union of Public Employees voted at its conference to Scarborough to withdraw services from private patients on January 1 unless the Government sets a firm date for ending pay beds in the National Health Service.

The NUPE threat followed a similar decision from the other major health service union, the Confederation of Health Service Employees, to withdraw services from new private patients from January 1 if pay beds remain.

Commotio... the demands for the phasing out of pay beds the BMA said yesterday that it would be "tragic" if the whole health service was disrupted over a disagreement about 0.6 per cent of its beds.

'Useful' The association maintained that pay beds provide "a useful revenue which is ploughed back into the service" and that the Labour government's plan to phase out pay beds had been introduced against the "united opposition" of medical organisations in the UK.

During the NUIPE debate Mr. Bill Geddes from North Hammersmith Hospital, London, referred to "rich bastards" who pay for private beds in NHS hospitals.

NEWS ANALYSIS—THE SASSE AFFAIR BY JOHN MOORE

Major issues for Lloyd's

THE FINANCIAL help arranged by Lloyd's of London for the troubled Sasse underwriting syndicate has provoked a passionate debate among the members of the insurance community.

The hawks argue that the £7m or so financial aid, which the Lloyd's ruling committee has provided for the syndicate to help meet its £13.6m of losses, has tampered with one of the market's most important mechanisms: that of unlimited personal liability.

Not so, say the doves. The nature of the aid is temporary. Loans have been arranged for the syndicate, which the syndicate will repay once it has recovered money owed to it from outstanding reinsurance claims.

Both arguments involve a degree of special pleading, which is inevitable by reason of the structure of the Lloyd's insurance market.

Lloyd's relies on a private membership of over 17,000 individuals for the provision of its capital. Individual members joining Lloyd's are told they have unlimited personal liability for their debts, but they are not liable in respect of others' members' losses.

which is intended to meet the underwriting liability of any member whose security and personal assets are not sufficient to meet his underwriting commitments.

The Lloyd's central fund is in effect a fund of last resort designed to protect the policyholder after all the member's other funds lodged at Lloyd's, and his personal fortune, have been exhausted.

What has annoyed the hawks within Lloyd's in particular is that the corporation and the central funds to which all Lloyd's members contribute have been brought into action to provide guarantees for the Sasse syndicate's loans.

Direct help for members who run into trouble, whenever it can be justified, must come from the rest of the membership, argues Lloyd's.

Meanwhile detailed internal investigations are still in progress at Lloyd's into the affairs of the syndicate, as is a fraud squad inquiry. These inquiries have to a large extent impeded the syndicate's legal action for the recovery of reinsurance

claims. The syndicate is engaged in a complex legal action with a reinsurance group, which, if successful, may recover a large proportion of the losses that the syndicate now having to meet.

The dilemma for the committee of Lloyd's has been clear: should it rigidly enforce the market principles of Lloyd's and prejudice, in a way which possibly could prove unjustified in the future, the interests of the members of the syndicate by precipitate action?

Or should the committee, using the funds at its disposal, allow itself sufficient time to discover the full facts of the Sasse affair and the syndicate time to pursue its legal action, and so run the risk of being accused by the wider membership that it has undermined the unique strength of the market, that of unlimited liability?

It has decided on the latter course of action.

No general meeting of the members has been called to discuss the issue, and no formal vote has been taken on the committee's decision except by the 350 or so underwriting agents who manage the affairs of the 17,000 members of Lloyd's.

Five groups seek hotel contract

By Arthur Sandles

FIVE HOTEL groups are in fierce competition for a plum U.K. hotel contract—for what is virtually the airport terminal hotel at Gatwick.

Holiday Inns clearly feels the contract virtually settled, in that it declared yesterday the project to be "part of a £10m UK and European development and refurbishing scheme" and "only the tip of the iceberg as far as future Holiday Inn developments in Europe are concerned."

Among Holiday Inns' competitors is its trans-Atlantic rival Hilton, as well as various British-based chains.

The British Airports authority board will meet next month to make the final decision on the bids.

Holiday Inn's plan provides for a six-floor hotel which will include a central indoor garden. The outline plan includes conference and exhibition areas—seating up to 600—and various other facilities, including shops and a restaurant for 150 people.

End of construction revival forecast by Little Neddies

BY MICHAEL CASSELL

AN END to last year's revival in construction output was forecast yesterday by the Building and Civil Engineering Economic Development Committees.

The EDCs (Little Neddies) suggest that total construction output during 1979 may be about 2 per cent lower than in 1978, when activity rose by 7 per cent over the previous 12 months and provided the industry with its brightest period since the early 1970s.

At the end of last year, the EDCs thought that output in 1979 would decline by about 1 per cent but their more pessimistic view is largely accounted for by continuing concern over the prospects for housing, particularly in the public sector.

The normal six-monthly forecasts prepared jointly by the two EDCs have been postponed until after the budget but

yesterday's short version of the 1979 projections suggest that "little room for manoeuvre" best described the assumptions relating to public expenditure.

According to the committees, the constant price (1975) value of public sector housing work this year is likely to fall by up to 26 per cent from the level recorded in 1978, when output dropped by 6 per cent.

In terms of numbers, the forecast would mean a start on only 100,000 public sector homes in 1979 against the 110,000 projection made last December.

The figure, also forecast for 1980, compares with the actual 1978 total for starts of about 107,000. Completions for 1979 remain unchanged at 130,000, similar to last year, but a lower figure of 115,000 is expected in 1980.

change of climate associated with a new government should help to stimulate a small improvement in activity. They expect a start to be made on 145,000 private homes this year against an earlier forecast of 140,000 and an actual total for 1978 of 157,000.

Private sector housing completions this year are forecast to climb a little above the December prediction of 145,000 in 1979 and 140,000 in 1980.

Orders in the private industrial construction market continued to rise in 1978 and a further 1 per cent rise is anticipated.

Joint forecasts of the Building and Civil Engineering EDCs, National Economic Development Office Millbank Tower, Millbank, London, SW1.

Building material sales show 6% rise in March

BUILDING material sales rose by just over 6 per cent in March compared with the same month a year earlier, according to the Builders Merchants' Federation.

In March itself, only two regions—the Midlands and the North West—showed a comparative fall in sales.

'More strength for watchdogs'

CONSUMER groups should be strengthened in order to make industry more competitive, Mr. Michael Shanks, chairman of the National Consumer Council, said yesterday.

Hewlett-Packard ends the computer compromise.

Now you don't have to put up with a computer that doesn't really fit your needs or shop around hoping to find one that does. HP has created a range of business systems, priced from £15,000 to £150,000* designed to work the way you work.

This is the first sophisticated computer that's simple to operate. By designing the keyboard like an electric typewriter and the numeric pad like an adding machine, we've made it possible for a clerk-typist to sit down at the computer and feel right at home.



The HP 250

This advanced system can handle up to 16 users from its compact console, which features an innovative display. Eight special keys on the right side of the screen can be programmed to lead you step-by-step through each task.



The HP 300

This puts the flexibility of our popular HP 3000 computer into a compact desk-sized unit. It will interact with people at terminals all around your company handling both on-line and batch processing jobs simultaneously.



The HP 3000 Series 33

Our most powerful system, it can process 4,000 transactions an hour at multiple terminals. The main memory expands up to two megabytes, with another 960 MB available on discs.



The HP 3000 Series III

So don't compromise between price and performance. Write or fill in the coupon for complete information about Hewlett-Packard's powerful, versatile and economical computer family.



Winners, Wokingham, Berks. RG11 5AR. Tel: Wokingham 784774.

Form with fields for Name, Position, Organisation, Address, Postcode, Tel. No., Ext. and checkboxes for HP 250, HP 300, HP 3000 Series 33, HP 3000 Series III, HP Terminals.

UK NEWS

Last-minute bid to save Kirkby co-op

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

A LAST-MINUTE effort is being made to try to stop the plant, machinery and stocks of the former Kirkby Manufacturing and Engineering workers' co-operative from being sold at a public auction in two weeks.

The co-op went into liquidation at the end of March and most of its 720 workforce lost their jobs. But some of them would be re-employed, probably making central heating radiators, if the effort succeeds. The name of the company involved in the bid has not been announced.

If the bid fails, the plant and machinery will be sold at a three-day auction which has already been publicly advertised by Henry Butcher, auctioneers. This would end the five-year attempt by the workers and the co-op's two convenor directors to save jobs at the factory which is located in the depressed Kirkby industrial estate on Merseyside.

Talks on the possible takeover before the auction were started

recently by the co-op's liquidators, Bernard Phillips and Partners, with the agreement of both KME's creditors and workforce.

Earlier the liquidators approached the two main unions involved at the plant, the Transport and General Workers' Union and the Amalgamated Union of Engineering Workers, to see if they could help to raise cash to save the co-op. But after a meeting last week between the liquidator and Mr. John Boyd, AUEW general secretary, both unions are understood to have rejected the idea.

The Government is also likely to refuse an application for nearly £2m aid put forward by the co-op's leaders to help them to reopen the factory. Sir Keith Joseph, Industry Secretary, is opposed to such State aid. It is also likely to be rejected by the Industrial Development Advisory Board. If Sir Keith makes a decision on the application before the auction, he is almost certain therefore to reject it.

Meriden given warning on alternatives to 150 jobs cut

BY ARTHUR SMITH

WORKERS at Meriden motorcycle co-operative were told yesterday that the alternatives to 150 redundancies were a complete shut-down for four months or a three-day week for the next 18 months.

Mr. Geoffrey Robinson, managing director of the co-operative and Labour MP for Coventry NW, told the 720 workers that a cut in jobs offered the only hope of saving the co-operative.

In a letter to trade union officials calling for talks today on the future of Meriden, Mr. Robinson indicated that the co-operative suffered a trading loss of £700,000 in the 13 months to September 30 1978.

He maintained that in spite of the present problems of over-production, the company was on target for "a break-even financial result," provided accumulated interest charges of

more than £1m owed to the Government were not paid.

Such a performance, Mr. Robinson said, marked "a good turnaround from a £700,000 trading loss in 1977-78 on the same basis."

The interest charges are scheduled for repayment at the end of June and the co-operative is pressing the Conservative Government for a financial reconstruction. Mr. Robinson maintains that the charges are unreasonable for a company the size of Meriden.

Meriden maintains that sales targets have been hit by the extended winter in Britain and the U.S. At the present rate of production of 300 machines a week, the co-operative would have stockpiled 3,000 motorcycles by the end of September this year and 11,500 by October, 1980.

The board of worker-directors was "virtually unanimous" in the view that 150 redundancies should be sought and production cut to 200 machines a week until September 30 next year. In addition to the redundancies, other economies will be sought.

Mr. Robinson says in his letter that "this course of action is as repugnant to me as it will be to the board, to the members and trade union officials."

He insists the co-operative would no longer exist but for the action taken since he assumed authority as chief executive in November last year.

Success for the co-operative would depend on support from the company's bankers, suppliers, the Government and the Export Credit Guarantee Department.

OIL-PLATFORM CONSTRUCTION

Hunterston saved at last

BY RAY PERMAN AND KEVIN DONE

THE GOVERNMENT must be extremely pleased to get rid of one of its predecessor's most embarrassing white elephants. The award of a contract by Phillips Petroleum for an oil platform for the Maureen field means the first work since it was built with £7m of public money five years ago for the Hunterston graving dock on the lower Clyde.

The decision to finance the speculative construction of the Hunterston site and another at Portavadie, Argyll, was made in the heady days of euphoria about the prospects for the platform industry. Oil companies had yet to learn the hard lessons of how expensive the North Sea was to be.

Their optimism misled the Department of Energy's offshore supplies' office about how many orders would be forthcoming.

The Anglo-Dutch group, Andoc, was allowed to develop Hunterston with a Government-backed loan from the Clydesdale Bank, but failed to win any work, and last year relinquished its lease. Another joint venture, Sea Platform Constructors, was backed with £14m at Portavadie, but met with a similar lack of success.

Now at least one of the sites will be put to use. Following Andoc's departure, the Government began negotiating with various groups interested in leasing Hunterston, but was anxious not to commit itself to another company which was going to fail to secure orders.

Main part

It therefore kept its lines open to a number of companies and one of them, Arysthrie Marine Constructors, a new partnership between the Glasgow-based Weir Group and CBI Constructors, London subsidiary of Chicago Bridge and Iron, came up trumps. It is to build the main part of the platform and will provide 450 jobs in an area desperate for work. However, there remains the

unanswered question of whether the Government will get any of its £7m back, or whether it will have to put in more cash, since Hunterston is at the moment little more than a hole in the ground and will require some money spent on it before it can be used for steel fabrication.

The Maureen platform is to be made entirely of steel, although Hunterston and Portavadie—for that matter Loch Kishorn where Howard-Doris will be building the steel deck—were envisaged as yards building in concrete.

After an initial enthusiasm for concrete, oil companies are now choosing steel as a cheaper option for offshore structures. No new concrete order has been placed for the British sector of the North Sea for four years. The biggest casualty has been McAlpine-Sea Tank, whose three yards at Ardyne Point, Argyll, have been empty for two years, and look unlikely to win any work.

Regular flow

The steel platform yards have enjoyed rather greater success in attracting orders in recent years, but they have also suffered from the past uneven pattern of ordering by the oil companies, which has tended to lurch from feast to famine.

A rather more regular flow of work appears likely over the next couple of years, however, which should keep work flowing to the three remaining steel fabrication yards at Methil, Fire, Nigg Bay and at Ardersier. A fourth yard at Graythorn, Teesside, was shut down by Laing Offshore 12 months ago after going for two years without receiving an order.

The main recent success story of the platform industry has been the Methil yards operated by the Redpath & Groat Caledonian partnership, which has experienced a major recovery in its fortunes. Two years ago, its workforce fell as low as 100 in the summer of

1976 from a peak of 1,450.

Its prospects began to look up, however, when it won part of the contract for the platform for Texaco's Tartan Field in a joint deal with the very successful Union Industrielle et d'Entreprise yard at Cherbourg. Again in a consortium with UIE, the yard has recently beaten off stiff competition from other UK rivals to win the steel jacket order for the North Cormorant Field from Shell and Esso.

Up to 800

The Methil workforce is now up to 800 and though the yard is looking hard for more work it can continue at this level for at least six months.

The other two Scottish steel yards are not quite so well placed. McDermott announced last week it was laying off 500 of its 2,000-strong workforce, because of the shortage of work. It had entertained high hopes of gaining the order for the North Cormorant Field.

Its main work still in hand is the steel jacket for the Conoco group's Murchison Field, but this is due to be floated out in July. McDermott is convinced that the North Sea is unlikely to generate sufficient work to keep more than three steel fabrication yards fully employed and is disturbed to see another competitor starting up at Hunterston.

The other steel yard operated by Highland Fabricators—the Brown and Root/Wimpey partnership—at Nigg Bay is still employing some 1,300 people on the construction of two small platforms for Amoco's Indefatigable gas field and the main steel jacket for Shell/Esso's Fulmar Field.

The Amoco contract will be completed next month, however, and although the Fulmar jacket is not due to be floated out until next year as many as 400 redundancies are expected in the coming weeks unless more orders are secured.

Chairman 'carried away with land purchase'

THE AMBITION of Mr. Derek Barnes, former chairman and managing director of Northern Developments, was to rival Wimpey as the leading house-builder in the country, a director of his bank told the High Court yesterday.

But he got carried away with the desire to acquire land. The "last straw" came for his bankers, Williams and Glyn's, when Mr. Barnes said he thought overdraft facilities of £14m should be provided.

The story was told to Mr. Justice Gibson by Mr. Alexander Ritchie, bank director—the first witness called in an action in which the bank is suing Mr. Barnes for repayment of £1,700,000 principal and interest.

Mr. Barnes, of Whins Lane, Read, near Burnley, is counter-claiming that the bank prevented him from repaying the main part of the loan by damaging Northern Developments' assets. He alleges that the bank rendered shares valueless by its treatment of the company. He is claiming damages amounting to at least the value of his shares, which were once worth more than £30m.

Mr. Justice Gibson will undergo a medical examination today.

Both sides are insuring him against costs which might arise if he were unable to complete hearing a long case and it had to be tried afresh by another judge. The hearing continues today.

Tachograph talks soon

CONSULTATIONS leading to the introduction of tachographs in the UK, originally planned by the last Government, are to start shortly, Mr. Norman Fowler, Transport Minister, said yesterday.

In March, Mr. William Rodgers, then Transport Secretary, announced the Government had "reluctantly" accepted the ruling of the European Court of Justice re-tachographs in goods vehicles over 3.5 tonnes gross weight. However, consultations over the implementation of the EEC law were delayed by the general election.

IAS to lease two Boeings

IAS Cargo Airlines, the biggest UK all-cargo operator and which has nine jet freighters, has agreed to lease two Boeing 707s from Schmitz Airlines, a recently-formed all-cargo airline.

IAS is also holding talks with the Trafalgar House group on a possible closer association with that organisation's subsidiary, Transmeridian Air Cargo (TAC). IAS, in the year to end March, 1978 (the last full year for which accounts are available), earned a trading profit of over £800,000.

Prestcold needs buyer to avoid Scots closures

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

MR. GEORGE YOUNGER, the Scottish Secretary, told a delegation of workers from the Prestcold factories in Glasgow yesterday that closure can be avoided only if a buyer can be found for the plants.

He held out "reasonable hope" a solution along these lines might develop by June 7, when the Scottish Office has to decide whether to extend the three-month period during which it has been funding the losses at the two factories.

The solution proposed by the previous Government was that the National Enterprise Board should be directed to rescue Prestcold.

The Department of Industry and the NEB were consulting about the draft directive that had already been sent to the NEB at the time the new Government was elected, but it is understood Sir Keith Joseph, the Industry Secretary, will not confirm the action taken by his predecessor.

A few companies have expressed interest in the two Glasgow factories, which between them employ 900 people and are the only UK source of small compressors for domestic refrigerators.

It seems unlikely, however, a buyer would be prepared to go ahead without the offer of Government financial help. If it comes to this stage, the Prestcold issue will be another test of the Government's attitude towards selective assistance to industry.

The Scottish factories are said to be heading for a loss of between £1.25m and £1.5m this year, and to need an investment of £5m if they are to develop and produce the new type of compressor which will enable them to compete internationally.

If such a rescue package can be devised, it would require a considerable slimming down of the present workforce before it could be put into effect.

In the meantime, the NEB and BL (formerly British Leyland, which owns Prestcold) has returned to its previous position of selling potential buyers that Prestcold is for sale without the Scottish factories.

The NEB has always supported BL in its decision that Prestcold is viable only in this form, and, in spite of the draft directive, has continued to conduct negotiations with interested companies.

Harris of Calne to stop curing bacon after June

BY CHRISTOPHER PARKES

THE HARRIS meat factory at Calne, Wiltshire, has fallen victim to the highly competitive trading conditions in the European Community and will stop curing bacon at the end of next month, the parent company, FMC, announced yesterday.

About 100 of the factory's 1,100 work force will be made redundant. It is hoped that the 2,200 pigs it processed each week can be taken in by nearby FMC plants, possibly Chippingham.

Only five months ago FMC closed its Marsh and Barter bacon works at Brierley Hill, one of the biggest curing factories in Britain, which processed

about 4,000 pigs a week before closure.

Last week 400 workers at the Lawson of Dyce bacon works—the biggest in Scotland—learned they were to lose their jobs. The closure, blamed on unfair competition from imports from Denmark, Holland and Ireland, ended pig farming in that part of north-east Scotland, the National Farmers' Union claimed.

FMC also lays the blame for its contraction on the European Community's monetary compensation amount (MCA) subsidies which are intended to compensate EEC traders for monetary differences in the Nine.

Duke of Beaufort antiques sold for £30,219

SOTHEBY'S held sales yesterday in such varied locations as the village hall at Badminton and the Mandarin Hotel in Hong Kong. The Badminton auction was the first organised by Sotheby's since it acquired Humberts of Taunton, and was dominated by items sent for sale by the Duke of Beaufort. His 130 lots brought in £30,219 of the total of £77,818 with best prices of £3,200 for six George III dining chairs and £2,000 for a George III tallboy. A pair of sporting paintings, attributed to J. Seymour, and showing the racecourse, Atlas, made £5,000.

In Hong Kong, Chinese ceramics realised £528,207 on the first day with Eskenazi of London paying £48,332 for an early Ming blue and white moon flask and another London dealer, Spink, £36,690 for a blue and white Yung Lo fluted dish. Back in London, glass fetched £35,469. A Silesian Schwarzlot flask and stopper sold for £3,100, a Venetian enamelled opalescent bowl went for £2,250, and a Royal armorial goblet of

SALEROOM

BY ANTONY THORNCROFT

about 1750 made £15,000. A similar goblet was bought for £900 at Sotheby's only a year ago.

Top price yesterday at Christie's was the £13,500 paid for a late Meissen dinner service. It was in a ceramics auction which totalled £109,705.

Insurer's 'duty to ask for the facts'

BY ERIC SHORT

THE BASIC principle of insurance should be that it is for the insurer to ask the insured for all the information he finds relevant to assess the risk and the present duty of the insured to disclose information should be abolished. This was the central theme of the memorandum submitted by the Consumers' Association on the Law Commission Working Paper on insurance law.

The association concentrated on the points raised in the paper which it regarded as most important for private as opposed to commercial insurance.

It pointed out that although insurance is an important part of modern life, very few ordinary people understood it. It was not considered reasonable, as the present law stood, to expect ordinary people to know what information an insurer might need to assess a risk.

Thus the association considered that it should be the duty of the insurer to ask for all the relevant information, if the insurer had a duty to ask

all the questions deemed necessary, then the insured would know what knowledge was expected of him. He would either find out what he did not already know or else answer that he did not know.

The memorandum refuted the argument put forward by the insurance industry that proposal forms would become impossibly long if insurers had to ask all the relevant questions. It was considered that market pressures would make insurers keep proposal forms as short as possible.

Also technical developments in computers could, in the not too distant future, make it far easier for a consumer to provide information to the insured.

The memorandum emphasised that there was a big difference between commercial insurance and insurance taken out by ordinary people in a private capacity. It recommended that in any proposed reform of insurance law in the UK, it may well be necessary to separate commercial from private insurance.

Call to ban fire risk furniture

THE British Safety Council is calling for the introduction of regulations governing the use of untreated foam and polystyrene in furniture and fittings following the deaths of five elderly people in a Midlands

nursing home. The council is also urging Mr. William Whitelaw, the Home Secretary, not to issue fire certificates where untreated highly flammable furniture and fittings are in use.

The door to world banking opens in Pittsburgh.

From our newest U.S. office, ABN Bank offers all the international business advantages a forty-one country network of offices provide world-wide.

Besides being one of the largest banks in Europe and the Common Market, ABN Bank is a major presence in Southeast Asia, the Middle East and South America.

In order to better serve the needs of American business overseas, we have made it our business to know those needs better by establishing offices in New York, Chicago, Los Angeles, San Francisco, Houston and Atlanta. Companies in those cities have found ABN Bank to be a strong ally for their international banking requirements.

Our alliances in Pittsburgh should be equally strong. The key to that strength is in our services. They include import and export financing, international loan operations and guarantees, foreign exchange, money transfers, letters of credit, collections and more.

The turning of that key will be handled quickly and efficiently. That is guaranteed by Algemene Bank Nederland's 155 years of international banking experience.

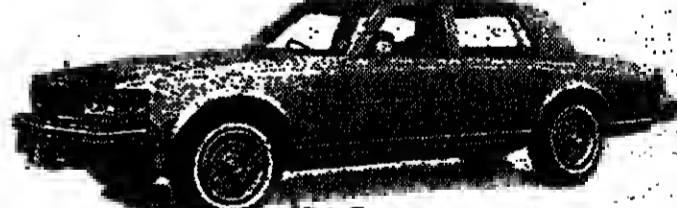
ABN people are ready to serve you almost anywhere in the world.

ABN Bank

Pittsburgh, Algemene Bank Nederland, 5885 U.S. Steel bldg, 600 Grant Street, Pittsburgh, Pa. 15219, telephone (412) 566-2250, telex 08 12462. London, Head Office, 61 Threadneedle Street, EC2P 2HH, P.O. Box 503, telephone (01) 6284272, telex 887366 (and offices in Manchester, Birmingham and Channel Islands). Amsterdam, Head Office, 32 Vijzelstraat, P.O. Box 669 1000 EG, telephone 020-299111, telex 11417.

The ABN Bank has offices and affiliations in: The Netherlands, Ireland, England, Channel Islands, Belgium, France, Federal Republic of Germany, Switzerland, Gibraltar, Italy, Greece, Turkey (Hollandse Bank-Uni), Lebanon, Saudi Arabia (Albank Alsaudi Alhollandi), United Arab Emirates, Bahrain, Iran (Mercantile Bank of Iran and Holland), Pakistan, India, Malaysia, Singapore, Indonesia, Hongkong, Japan, South Korea, Australia, Morocco (Algemene Bank Marokko S.A.), Kenya, S.A. Canada, Netherlands Antilles, Suriname, Venezuela (Banco Continental S.A.), Panama, Colombia (Corporación Financiera Internacional), Mexico. Operating under the name Banco Holandés Unido in: Argentina, Uruguay, Paraguay, Brazil, Ecuador.

Meet the New Americans at Heathrow.



Show at the HEATHROW HOTEL, Bank Holiday Weekend, May 25th-27th. Open 10am-7pm.

GM's 1979 models are stylish, spacious, incredibly well equipped and ideally suited to European driving conditions, with many right hand drive models. And at highly economical prices, they're all well worth looking into. Come and do just that at the Heathrow Hotel.

Cars on display will include the Cadillac Seville and Fleetwood, Chevrolet Caprice, Caprice wagon, Monte Carlo, Corvette and Blazer and Pontiac Firebird. See also GM's car for the 80's—the much-heralded 'X' Car. There's a lot to like in the New Americans.

American cars by General Motors. Lendrum and Hartman Ltd, 122/124 King Street, London W6 0RH. Tel: 01-748 0821.

* New Offices * New Jobs * The Same Team (plus a few new faces) Mary Overton Female Executives, and the newly formed Junior Division, are now in new, larger offices at 37 Maddox Street, W1 with an even greater selection of top appointments.

Mary Overton Female Executives Recruitment Consultants 37 Maddox St., W1R 0LE 01-493 3188 Open to meet and advise

Clothing trade urged to win more exports

BY RHYS DAVID, TEXTILES CORRESPONDENT

EXPORTING SHOULD enable most companies in the clothing industry to increase profitability and secure other improvements in their product range and in their ability to compete in the home market, a study by the National Economic Development Office claims today.

The study by the Clothing Economic Development Committee, looks at the performance of 32 mainly successful exporters in the UK and eight non-exporters. It forms part of the continuing effort to encourage companies in the industry to increase sales overseas.

The industry is now selling more than £600m worth of goods overseas and is hoping to raise this to more than £1bn by 1981. The UK still runs a major deficit in its clothing trade balance, however, and some 40 per cent of clothing imports are now coming from other developed countries with similar or even higher labour costs.

The EDC report, which follows an earlier study on how clothing companies could improve their sales in the domestic market, comes to the conclusion that companies engaged in exporting have derived strength from it. For example 10 of the 11 companies with the highest overall growth rate were exporters. Exporters found export sales were growing faster than home sales.

Margins on export business were also higher than on home sales, and exposure to high clothing standards abroad, with the better insight gained into

Unit trusts encashment still high

By Eamonn Fingleton

THE VALUE of unit trust investments cashed in by the public last month totalled £37.9m—the second highest on record.

The Unit Trust Association blamed distortions due to "bed-and-breakfasting" before the end of the tax year for swelling the industry's repurchases from the public but the figure is nonetheless considered disappointingly high. (Bed-and-breakfasting is the practice by which investors make an artificial sale for capital gains tax purposes and then buy back their holding. It occurs mostly in March but spills into the beginning of April.)

The April figure is a fall of £21.9m from the March total of £59.8m, by far the highest ever. But March was considered highly freakish because it bore the brunt of the bed-and-breakfasting distortions.

The latest repurchases experience is the more disappointing because the industry's sales to new investors are lagging well behind the levels achieved a year ago.

Sales in April totalled £43.3m, a fall of £14m on March, compared with £70.5m last year. Total sales for the year so far are £171.3m compared to total repurchases of £145.5m, leaving net new investment of just £25.7m. That compares with £113.9m a year ago.

Mr. Ian Jacoby, chairman of the Clothing Export Council, in a speech at the annual meeting promised that the industry will shortly be raising its export target to £2bn a year. He claimed the UK clothing industry because of its flexibility and ability to respond quickly to customers' demands was well-placed to meet the demand from Europe for goods with a difference.

Increasing your profits in overseas clothing markets. NEDO Books, 1 Steel House, 11 Totterhill Street, London SW1H 9LH. £1.75 inc. p+p.

Whooping cough epidemic as vaccine sales drop

BY SUE CAMERON, CHEMICALS CORRESPONDENT

—BY SUE CAMERON, CHEMICALS CORRESPONDENT SALES OF whooping cough vaccine in the UK have more than halved since 1973 and the Association of the British Pharmaceutical Industry says the country is now going through the worst epidemic of the disease for 20 years.

The association's news magazine reports that the proportion of children under five protected by vaccination against whooping cough has dropped from about 80 per cent in 1973 to only 33 per cent last year. Preliminary figures show that while there were only 3,813 cases of whooping cough in 1978 there were 65,892 cases last year.

"These figures provide irrefutable evidence that far more children have been damaged or have died as a result of contracting the disease naturally than would have been harmed if the 80 per cent level of vaccination in children under five had been maintained," the association says.

It refers to "scare stories" about the dangers of whooping cough vaccine causing convulsions in young children and claims that those who have campaigned for vaccine damage compensation are partly responsible for the increase in the disease.

It suggests that the 11 children who died from whooping cough last year might be alive today if the "legitimate campaign for compensation had been pursued in a different manner."

Concern about the dangers of whooping cough vaccine has spread to vaccination procedures for other diseases—including polio, it claims. Vaccination levels against polio have also dropped while the number of reported cases of the disease has increased.

The pertussis vaccine, which is used against whooping cough, is produced by Glaxo and Wellcome in the UK.

Wellcome predicted that there would be another whooping cough epidemic in three years unless the number of vaccinations increased substantially.

The Department of Health said yesterday that 550,000 children under the age of 16 were vaccinated against whooping cough in 1973, but by 1978 this figure had fallen to 240,000.

tracting the disease naturally than would have been harmed if the 80 per cent level of vaccination in children under five had been maintained," the association says.

It refers to "scare stories" about the dangers of whooping cough vaccine causing convulsions in young children and claims that those who have campaigned for vaccine damage compensation are partly responsible for the increase in the disease.

It suggests that the 11 children who died from whooping cough last year might be alive today if the "legitimate campaign for compensation had been pursued in a different manner."

Concern about the dangers of whooping cough vaccine has spread to vaccination procedures for other diseases—including polio, it claims. Vaccination levels against polio have also dropped while the number of reported cases of the disease has increased.

The pertussis vaccine, which is used against whooping cough, is produced by Glaxo and Wellcome in the UK.

Wellcome predicted that there would be another whooping cough epidemic in three years unless the number of vaccinations increased substantially.

The Department of Health said yesterday that 550,000 children under the age of 16 were vaccinated against whooping cough in 1973, but by 1978 this figure had fallen to 240,000.

Ulster development chief resigns

BY OUR BELFAST CORRESPONDENT

MR. RONALD HENDERSON, 48, chief executive of the Northern Ireland Development Agency, has resigned after three years in the post. It is understood he is taking charge of one of the agency's fully owned subsidiaries, Viking Manufacturing, which produces racing cycles at Londonderry.

The agency's board, under the chairmanship of Mr. Dennis Faulkner, an Ulster businessman, has given no reason for Mr. Henderson's move. He was appointed chief executive when the agency was set up in 1976 to succeed the former Northern Ireland Finance Corporation.

He has an engineering background and worked in industry and management consultancy before joining the NI Department of Commerce in 1972. Since its inception, the agency has committed more than £30m of equity and loans to strengthen existing companies and establish state ventures. It has invested about £17m in the De Lorean sports car manufacturing project.

Digital Equipment opens £8m factory

BY RAY PERMAN, SCOTTISH CORRESPONDENT

DIGITAL EQUIPMENT, the U.S.-owned mini-computer company, yesterday opened a £8.5m factory near Ayr, which will expand UK manufacturing capacity by more than four times.

Digital's sales have been growing at more than 40 per cent a year, and the expansion of the Ayr plant reflects this. The company opened in 1976 in a 49,000 sq ft factory with a handful of employees, but now occupies 265,000 sq ft and employs 800 people.

They are engaged in the final assembly and testing of components made in the company's two plants in the Irish Republic and sell mainly to Europe. Mr. David Lawrence, plant manager, said that sales from Ayr had more than doubled in the first two years of operation and were £25m last year.

Cosmos persuaded to cut surcharges

BY ARTHUR SANDLES

COSMOS TOURS, one of Britain's biggest tour operators, is to reduce some holiday surcharges after action by the Office of Fair Trading and the Consumers' Association.

The action follows disagreements over the meaning of some package tour booking condition small print.

The main Cosmos summer brochure contains a guarantee of no surcharge above an £8 limit unless cost increases due to action by Government or "Governmental agency."

A few holidays have been surcharged by £8.20p because Cosmos argued an OPEC fuel price rise was action by a

Governmental agency. The OFT and the Consumers' Association disagreed, and after discussion with the OFT, Cosmos withdrew the extra £1.20p and is making refunds where necessary. In this the OFT was supported by the Association of British Travel Agents, the travel trade body.

CONTRACTS

NCB places £44m orders

THE NATIONAL Coal Board has placed contracts to a total value of £44.8m for the supply of materials and equipment over 12 months from June. Orders include corrugated steel sheets value at £6.7m; fire resistant conveyor belting costing £29.3m; rolled steel lagging boards at £3.8m; rubber conveyor belting worth £1.2m; and machine tools totalling £5.8m. The goods will be supplied by 29 UK companies.

Order for sonobuoys worth £7m have been secured by ULTRA ELECTRONIC COMMUNICATIONS from the Ministry of Defence. Three basic types are involved: omnidirectional passive (Jezabel), omnidirectional active (Ranger) and bathythermal.

HARMARD CATERING, of Barry, South Wales, has been awarded a £4.5m contract by Snapprogetti to design, construct and operate the Heintland construction village near Angle, Dyfed. The project will house construction personnel, building the new catalytic cracking unit for Pembroke Cracking Company to serve Telford and Gulf refineries on the Milford Haven.

Norwich Union Insurance has placed a £3m contract with JOHN LAING for the rebuilding of the Grosvenor Hotel, Glasgow, which was destroyed by fire last year. The 1895 facade of the old hotel will be replaced according to the original detail. The reconstructed hotel will continue to be operated by the Reo Stakis Organisation and will have 96 rooms with en-suite bathrooms and will have improved facilities.

Seven design and building contracts totalling nearly £3m have been awarded to SHEPHERD BUILDING SERVICE. Four, amounting to more than £1.8m, are for Remtree Mackintosh and include extensions and alterations to existing production units at York and a new holler house at Castleford.

The largest of the projects is an £840,000 scheme to provide new premises for the busing services works division of the Nottingham City Council. Other projects include a £300,000 contract for construction of the first phase of a moulding compound plant for Perstorp Ferguson in Darlington and the building of a warehouse for Squirrel Horn in Stockport, Cheshire.

HUMPHREYS AND GLASGOW SERVICES has been awarded three modernisation contracts valued at over £2m by the London Borough of Southwark, Matherwell Council and the City of Birmingham. The largest of these is for the refurbishing and upgrading of flats at Neptune Street, SE16, for the London Borough of Southwark, worth £1m. The other two contracts are valued at £500,000 apiece for

the house modernisation at Lee Banks, Edgbaston, Birmingham and Fallside, Motherwell for phase two of the house modernisation scheme.

HCS has also been awarded contracts worth £245,000 for the installation of mechanical services in two new Tesco stores in Scotland. One contract worth £100,000 has been placed by Sir Robert McAlpine Sons for a store at Renfrew, while the other is for a store at Pollock worth £145,000 for Crudens.

CHRISTY AND NORRIS, part of the Christy Group, has been awarded the mechanical and electrical contract worth about £2m for a feed mill at Port Laoise, Eire, by Avonmore Creameries. The production capacity is to be 30 tons/hour initially with inbuilt design features enabling the capacity to be eventually increased to 40 tons/hour.

A £1.5m contract for the design and heating installation, air conditioning, fire protection, electrical and plumbing services at the new BEPC shopping centre and office block in Oxford Street has been secured by HADEN YOUNG.

A £1.5m contract for the manufacture, supply and commissioning of the total electrical power system for British Petroleum's new semi-submersible, emergency and support vessel has been won by LAURENCE SCOTT AND ELECTROSYSTEMS of Norwich. The vessel, which is to be constructed by Lithgow of Greenock in Scotland, is the first of its kind built in this country.

LESSER has been awarded a £63,000 contract by Rugby Borough Council to design and construct two extensions to the Town Hall, Rugby. The larger of the two, which will overlook Caldecott Park, will be a three-storey steel-framed building with half facing brick to match the existing structures so designed to allow for a further two-storey extension. The smaller extension is to be constructed over an existing single-storey structure.

A contract worth £500,000 for building a new roll-on, roll-off terminal at Grimsby's Royal Dock has been awarded to the Barton-on-Humber firm of PETER BIRSE. The terminal, to be completed later this year, will handle new and extended services introduced by the Grimsby-Norway line, and is intended particularly for unsecured cargo, including containers.

THE DECCA NAVIGATOR COMPANY has received contracts valued at around £250,000 from the Ministry of Defence for the manufacture and supply of VOR/ILS and DME equipment for Royal Navy Sea King Commando (19 sets) and Royal Air Force Puma helicopters (seven sets).



Inter-City.

It's the difference between hearing what he says and seeing what he means.

You can't shake hands on the phone

When you meet face to face, shake hands and present your case, there may seem to be little difference with what you could have said by letter or telephone.

The difference is far more likely to be in the answer.

Yes. Instead of no.

Often it pays to do business in person and the best way to travel is by Inter-City, the quick, reliable way to go from city centre to city centre.

With Inter-City, you are free from the stops, the starts, and the stress of a road journey.

You can prepare for the business of the day in comfort. And freshen up before you arrive.

All without wasting a second.

When your business is finished, you can relax on the train home. With much more chance of having something to celebrate than if you had stayed at your desk.

Inter-City

Have a good trip!

SEE THE LATEST TRENDS IN CONTRACT FURNISHING AT

National Exhibition Centre Birmingham

DECOO INTERNATIONAL

The International Contract Furnishing and Interiors Design Exhibition

3-7 June '79

OPEN: Sunday 12.00-17.30
Monday, Tuesday, Wednesday 10.00-17.30
Thursday 10.00-17.00

ACAS chief urges changes in laws on recognition

BY PAULINE CLARK, LABOUR STAFF

MR. JIM MORTIMER, chairman of the Advisory, Conciliation and Arbitration Service, yesterday made what amounted to an appeal to the Government either to scrap the present law on trade union recognition or revise it substantially.

This is the first time that a leading figure in ACAS has openly stated that the provisions of the 1975 Employment Protection Act on union recognition disputes are unworkable.

The council of ACAS has yet to express its position publicly, although it is known that the service has felt increasingly uncomfortable with its role in recognition disputes since the hattering it received over the Grunwick case.

This and subsequent cases

have exposed ACAS to accusations of being anti-employer and prompted speculation that a Conservative Government might seek to change its composition and terms of reference.

Mr. Mortimer has already held "preliminary" discussions with Mr. James Prior, Employment Secretary, when the recognition issue was raised.

Preference

Introducing the service's 1978 annual report, Mr. Mortimer said he believed the simplest way of solving the recognition problems arising from references under Section 11 of the Act would be to delete the statutory provisions and leave in the voluntary ones.

Difficulties arose from "absence of agreed criteria for recognition," the interpretation

put upon the Act by the courts, competing trade union claims and the refusal of a "small minority" of employers to co-operate.

"One serious and, in my view, damaging effect of the statutory provisions, as now interpreted by the courts, is that they tend to encourage competitive trade union claims for recognition and to undermine the voluntary procedures of the TUC for resolving inter-union problems."

The fact that there were 50 per cent more recognition claims referred to ACAS under the voluntary conciliation procedure than under the statutory procedure of Section 11 last year — the present rate being 3 to 1 — was a clear indication of the course preferred by a majority of unions and employers.

The evidence suggests, Mr. Mortimer said, that the disadvantage of the present statutory provisions on recognition, and particularly as interpreted by the courts, "now outweigh its advantages."

The council's report, meanwhile, demonstrated concern over "a small but growing number of employers" who co-operate only very reluctantly with ACAS on recognition references. At present 85 out of 400 cases are placed in this category.

In its fourth full year of operation, ACAS conciliated in 3,338 disputes — a slight rise over the 1977 figure — and was able to assist in settling 74 per cent of the cases.

By far the majority of those disputes concerned pay and conditions of employment although the second largest were recognition disputes.

Threat to withdraw cash for MPs

By Philip Bassett, Labour Staff

THE NATIONAL Union of Public Employees yesterday decided to withdraw financial support from MPs sponsored by the union if they voted against NUPE policies.

At its annual conference at Scarborough, the union drew back, however, from disaffiliation from the Labour Party, or withholding the political levy.

The disillusionment in the union with the party stems from the Labour Government's stand against the union's industrial action over pay last winter which disrupted water, hospital and local authority services.

Delegates decided to withdraw sponsorship of MPs if they went against union policies, to mount a new campaign in the Labour Party to bring in mandatory re-election of MPs, and to press for the publication of MPs' attendance and voting records at Parliamentary Labour Party meetings.

The union sponsors six Labour MPs, including Mr. Roland Moyle, former Health Minister. They are paid a minimum of £550 a year, including £100 for their own and £450 for their agents' expenses. Members sponsored by the union have to be renominated by local branches before each general election, and then interviewed by the full executive council.

Mr. John Snodgrass, Camden General Branch, said that during the strike action NUPE members realised that they were being "kicked in the teeth" by the very people they were financing.

Mr. Alan Fisher, general secretary, denied that the union could be blamed for bringing down the Labour Government, Labour brought it upon itself, he said, by insisting on a 5 per cent pay policy against the advice of union leaders.

Picketing

The conference went on to instruct Mr. Fisher to oppose any talks between the TUC and the Conservative Government on restrictions to effective picketing or the imposition of an incomes policy.

The union decided to press for a common settlement date, probably April 1, for its 690,000 members and agreed to take simultaneous industrial action if necessary by all the workers it represents, including dustmen, nurses and hospital auxiliaries to achieve its claim of two-thirds of the national average wage.

Water workers, one of the most powerful of Britain's industrial groups, would be used to spearhead the campaign.

Delegates reaffirmed for this year the basis of the claim on which it fought last winter's round of strikes. The claim—two-thirds of national average earnings and a reduction in hours to a 35-hour week—was for £60 a week or an increase of 40 per cent. Union officials estimate that this year's figure could be close to £70.

Dyers in closed shop dilemma

Financial Times Reporter

THE ISSUE of whether the wool textile workers union should discontinue the 15-year-old blocking of a mill that has landed them in a closed shop row was pigeon-holed yesterday.

The stringent ban was imposed by the National Union of Dyers Bleachers and Textile Workers on William Denby and Sons of Baildon, Yorkshire after a long and bitter dispute.

It was this boycott that led to the expulsion from the union last November of Mr. Joe Thompson of Yeadon, near Leeds, because it was discovered he had worked at Denby's for three months in 1965.

Mr. Thompson was sacked from a factory where there is a closed shop because he lost his union card, but the union is now going to restore his card and help him find another job.

At the union's annual conference in Southport the Hebden Bridge branch had a motion on the agenda urging the executive to lift the blocking of Denby's.

But this resolution was withdrawn yesterday at the request of the executive and afterwards the general secretary Mr. Fred Dyson said emphatically:

"It is left to the executive to formulate any policy on Denby's. We are dealing with the situation."

It is believed the union is split on this issue and that a full dress debate on the topic would have re-opened old wounds.

Joseph 'threat to letter monopoly' post union told

BY ALAN PIKE, LABOUR CORRESPONDENT

THE POST OFFICE monopoly on letter delivery would be under real threat unless the "worst excesses" of Sir Keith Joseph, Industry Secretary, were curbed by his Cabinet colleagues, claimed Mr. Tom Jackson, general secretary of the Union of Post Office Workers yesterday.

Mr. Jackson told delegates to his union's conference at Bournemouth that the public needed to be warned of the grave dangers which would result if Sir Keith were given free rein.

"The postal service has been a monopoly since 1860 and exists in this form throughout the world. To destroy the postal service as we know it today."

Prejudices

Mr. Jackson met Sir Keith about six months ago to discuss ideas for the future of the Post Office. He formed the impression then that Sir Keith not only favoured allowing private industry into telecommunications but would also consider

giving private delivery agents a share of the postal business. "This man is now in charge of Post Office affairs, and his prejudices could affect all of us," Mr. Jackson told the conference.

Those Conservative MPs who represented rural parts of the country should understand that the delivery and collection facilities which their constituents received at present would be in immediate jeopardy if the postal monopoly were lifted. Profitable town delivery work would be creamed off and the rural services would collapse as a consequence.

"Sir Keith's constituents in Leeds may not suffer unduly. But wide areas of the country side will find that they have not only lost their trains and their buses but also their daily letter-delivery service."

The UPW would be prepared to do everything in its power to retain the Post Office's letter monopoly, and believes that it would be fighting with the support of public opinion. But Mr. Jackson warned his members

that, when services were interrupted by unofficial industrial action, pressure to lift the monopoly was increased, and "in Sir Keith Joseph those who seek to have a ready and now-powerful ally."

Support

He also reminded delegates that the new Secretary of State was in like mind with most of the Post Office Board in believing that the corporation should be divided. "They will be assisted in this dismembering process by other Post Office unions, unless they have a change of heart. The message that must go from this conference to our colleagues in the Post Office Engineering Union, particularly is that this Government may first divide and then have a go."

Divide and rule was the oldest of all political plays, and the POEU might have far more to lose than the UPW. There would be no private telephone exchanges, but there could well be private installations, repair, and maintenance. Features Page 23

Energy 'neglect'

BY NICK GARNETT

THE GOVERNMENT'S energy policies were attacked at the General and Municipal Workers' Union conference yesterday as "management by neglect."

Mr. John Edmonds, the union's national officer for the gas industry, told delegates that the Government appeared ready to buy any effective energy policy.

It was "disgraceful" that there was not one word about energy in the Queen's Speech, said Mr. Edmonds.

A proper plan for coal, energy conservation, and an adequate tax system for North Sea oil were all under threat. The Conservatives' attitude seemed to be that nature should take its course, and trust that capitalism will find a way.

That was also the attitude of the oil companies, which "want to get the oil and gas out of the North Sea as quickly as possible, cash in their profits, and get out. That policy is exactly the opposite of the line that a prudent Government should follow."

TASS told to act against 'bogus organisations' in engineering

BY ALAN PIKE, LABOUR CORRESPONDENT

LEADERS of TASS, the white-collar section of the Amalgamated Union of Engineering Workers, were yesterday instructed to support and initiate industrial action to prevent "bogus organisations" gaining recognition in the engineering and related industries.

Delegates to the TASS conference at Bournemouth adopted a resolution acknowledging that management staff must become an integral part of the trade

union movement but opposing the attempts by organisations not affiliated to the Confederation of Shipbuilders and Engineering Unions to intrude into "areas in which they have no history or expertise whatsoever."

TASS has been involved in a long fight against attempts by the Engineers and Managers Association to enter the engineering and shipbuilding industries. Both TUC affiliated unions want to represent senior and managerial staff. The EMA won

an important stage of the battle earlier this year when it gained national recognition from British Shipbuilders and it is now attempting to enter the aerospace industry.

Mr. Des Starrs, TASS president, told delegates the "unprecedented" recognition of the EMA in shipbuilding in spite of TUC and Confederation policy of non-proliferation of unions "bodes ill for the trades union movement not only in shipbuilding but throughout engineering."

Leyland foremen may strike

BY OUR OWN CORRESPONDENT

LEYLAND is facing the threat of a strike by its foremen, members of the Association of Scientific, Technical and Managerial Staffs.

ASTMS has authorised a full-scale campaign following the laying off of foremen from two car plants for failing to work

overtime.

Mr. Charles Grabb, a divisional officer, said this meant that all the union's 9,000 members on Leyland's payroll could be involved in an all-out dispute.

The foremen banned overtime two weeks ago in protest over their overtime and night shift

pay. They have discovered that workers they supervised now get higher premium payments.

The ban is being supported by foremen at 34 car plants. BL said yesterday that so far the foremen's sanctions had not caused the loss of any production.

Williams & Glyn's believes small businesses deserve all the help a bank can give

The small business may well need more service from a bank than a big one. The managing director is probably his own finance director and chief accountant, and he needs all the help a good bank can give. Williams & Glyn's is uniquely placed to give him that help because we believe that the amount of time a bank spends on a company's affairs should not be related to the size of its balance but to the size of the problem, or the opportunity.

We have made a point of gearing ourselves to handle the business of smaller and medium sized companies at least as carefully as the biggest. Our branches are kept to a realistic size so that we can allot more management time to individual accounts and we encourage managers to visit customers on their home ground in order to obtain a first hand understanding of their business. In short, we are prepared, should you wish us to do so, to involve ourselves in your business to a much greater extent than usual.

That's a higher degree of commitment than many banks undertake. But then Williams & Glyn's is a rather different kind of bank. Why not call in to see the Manager of your local branch. Or write to: Marketing Development Office, Williams & Glyn's Bank Ltd., New London Bridge House, 25 London Bridge Street, London SE1 9SX.

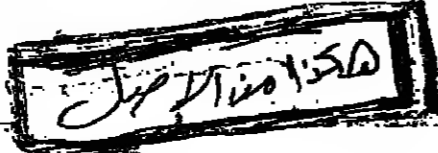
Five ways to more profitable business

- 1 Short-term Finance**
Overdrafts can cover seasonal fluctuations in revenue and expenditure or provide additional working capital.
- 2 Medium-term Loans**
A more formal arrangement for loans from 2-7 years for the purchase of new plant and equipment, etc.
- 3 Cash Flow Control**
Williams & Glyn's managers are always ready to help with advice.
- 4 Investing surplus funds**
A cash surplus, even if temporary, can be put to good use for you. Quotations based on the latest London market rates are obtainable from any branch.
- 5 Instalment credit**
Our subsidiary, St. Margaret's Trust, can provide facilities for the purchase of industrial goods or equipment.

WILLIAMS & GLYN'S BANK LTD

The most flexible of the big five banks.

A member of the National and Commercial Banking Group and one of the Inter-Alpha Group of Banks



SIEMENS WESTERN FINANCE N.V.

Our Warrants Are About to Expire

We wish to point out that the Warrants issued by us in 1969 with our 5 1/2 per cent U.S. dollar bonds due 1979 will expire on August 31, 1979.

Each Warrant entitles its holder to acquire twelve (12) shares of DM 50.00 par value each in the common stock of Siemens AG against payment of the option price, i.e. of DM 219.60 per share. The shares will be entitled to the full dividend for the fiscal year ending September 30, 1979. Siemens shares are presently trading considerably above the option price.

In order to exercise the option right, the bearer of the Warrant must submit a written declaration to Deutsche Bank AG, Munich branch, as warrant agent through one of the receiving agents enumerated below and by using a form which is available at the receiving agents. The option declaration is irrevocable. When making the declaration, the option price has to be paid and the Warrant, together with all four Receipts (A through D), has to be surrendered. The receipt by Deutsche Bank AG, Munich branch, as warrant agent, of the option price in freely disposable Deutsche Mark and of the Warrant no later than August 31, 1979, are prerequisites for the option declaration to become effective. Declarations reaching the warrant agent after such date cannot become effective.

Receiving agents are the following banks:

- | | |
|---|---|
| a) In the Federal Republic of Germany and in Berlin: | Metallgesellschaft AG
Trixhaus & Burkhart
M.M. Warburg-Brinckmann, Wirtz & Co. |
| Deutsche Bank AG
Deutsche Bank Berlin AG
Baden-Württembergische Bank AG
Bank für Handel und Industrie AG
Bayerische Hypotheken- und Wechsel-Bank
Bayerische Vereinsbank
Berliner Bank AG
Berliner Commerzbank AG
Berliner Handels- und Frankfurter Bank
Commerzbank AG
Deirbrück & Co.
Deutsche Bank Saar AG
Dresdner Bank AG
Merck, Finck & Co. | b) Outside the Federal Republic of Germany:
Amsterdam-Rotterdam Bank N.V.
Bank of London & South America
Banque Internationale à Luxembourg S.A.
Citibank N.A.
Crédit Lyonnais
Credito Italiano
European-American Bank & Trust Company
Société Générale de Banque S.A.
Svenska Handelsbanken |

In order to ensure that the option rights can be exercised in accordance with the above procedure and within the delay specified above, the Warrants will cease to be officially listed on the Luxembourg Stock Exchange and on all German Stock Exchanges at the close of business on August 24, 1979.

Willemstad, Curaçao,
May 1979

SIEMENS WESTERN FINANCE N.V.

JP 11/15/50

There's only one reason to be at the top.

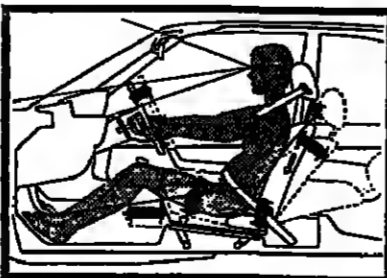


Behind the success of BMW is found a concept that is unique. On the one hand is the idea of 'total performance' and on the other is the knowledge that to enjoy driving is to remain alert and therefore actively a safer driver. In all BMWs the two ideas interlock in different balances to create cars that promote both responsive and responsible driving.

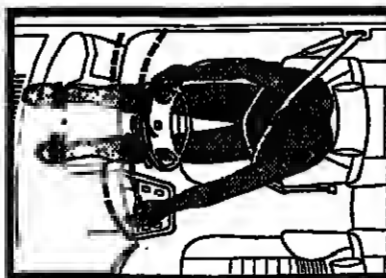
The BMW 6 Series Coupé range offers two distinct expressions of this concept. They share certain aspects in common - understated styling, leather upholstery and the same fine degree of construction quality found in all BMWs. However to fulfil the basic idea it is the relationship between the driver and the car that is vital. In the Coupé's 'cockpit' the instrumentation 'wraps-around' the driver. It is divided into three zones; to the right is the safety check area; in the centre is the primary driving area and to the left are the comfort controls. The dials and operating functions are equi-distant from the driver to promote fast, precise operation. The driver can

make the car respond instantly to his decisions. This is complemented by seating that can be moved through several axes and adjustable steering to help achieve the perfect position. These sophisticated ergonomics are essential for absolute command of such refined and powerful technology.

Both Coupés share the same basic chassis and suspension systems which have the handling abilities to completely contain the exceptional



Seating and vision are excellent. Ventilation and heating achieve the ideal of 'warm feet, cool head'.



Controls come immediately to hand. Dials are equidistant from the eye so that re-focusing from one to another is avoided.

power, yet offer a pleasing ride.

The BMW 633CSiA offers a 3.3 litre, six cylinder, fuel injected engine that produces 197 bhp. It is matched to automatic transmission which gives it an effortless and powerful style of motoring. With the same overall refinement the BMW 635CSi Coupé, with its 218 bhp engine and five speed manual transmission, offers an even more dynamic form of driving.

The reason, therefore, for BMW to be at the top is because of our ability to put a great concept into practice.

Insurance. Our new exclusive 'Sureplan' Insurance Scheme guarantees, under normal circumstances, to quote, offer competitive rates and fast approval of accident repair estimates. Your local BMW Centre will be happy to introduce you to the scheme.

Leasing. Your local BMW Centre can also provide comprehensive advice and assistance on leasing arrangements for your BMW.

Prices. 633CSiA: £16,399. 635CSi: £17,599. (Prices correct at time of going to press. Source of performance figures: BMW)



For the joy of motoring.

BMW Concessionaires (GB) Ltd, 991 Great West Road, Brentford, Middlesex. 01-568 9155. Export, NATO & Diplomatic: 56 Park Lane, London W1. 01-629 9277.

Handwritten note in a box: "Handwritten note in a box"

BUSINESS AND INVESTMENT OPPORTUNITIES

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS



GRESHAM TRUST LIMITED

Permanent and long term capital for the successful private company.

Also a wide range of banking services, including—
Selective finance for property development
Commercial and industrial loans
Bill discounting
Acceptance credits
Leasing

For further information please telephone 01-606 6474 or write to Barrington House, Gresham Street, LONDON EC2V 7HE.

Gresham Trust Ltd, Barrington House, Gresham Street, London EC2V 7HE
Birmingham Office: Edmund House, Newhall Street, Birmingham, B3 3EW
Tel: 01-606 6474
Tel: 021-235 1277

A National Bus Company For Sale

- Situated on the Island of Guernsey, one of Britain's most popular tourist spots, with a resident population of 60,000.
- Sole operators of scheduled bus services for the island.
- Fleet of 100 buses.
- Present annual turnover approximately £750,000.

For further information please contact:
Mr. A. R. Houghton, Touche Ross & Co.,
27 Chancery Lane, London WC2 1NF.
Telephone: 01-242 9451.

MODERN CARAVAN FACTORY IN THE NORTH OF ENGLAND FOR SALE OR RENT FULLY EQUIPPED

Could be taken over as going concern if desired.
Applications to Box G.3872, Financial Times, 10, Cannon Street, EC4P 4BY.

PLASTIC INJECTION MOULDING

Well equipped company manufacturing plastic injection moulded products, 15 to 360-tonne capacity, is able to undertake additional products. Could also offer, if required, distribution facilities to hardware and leisure market.

Apply: Box G.3858, Financial Times, 10 Cannon Street, EC4P 4BY

TAX LOSS COMPANIES

£500,000 — £2,000,000

Building and property group wishes to acquire similar companies still trading, with agreed tax losses in above range.
Please supply full relevant details to Box G.3836, Financial Times, 10, Cannon Street, EC4P 4BY.

COSMETICS TOILETRIES DISTRIBUTION U.K.

U.K. manufacturing and distributing company is interested in agency agreement for the distribution of consumer products in cosmetics, toiletries markets. The U.K. company with its highly skilled sales/marketing team is successfully marketing and selling own group products nationally through chemists, drug stores and department stores. Please reply in strict confidence to Box G.3860, Financial Times, 10 Cannon Street, EC4P 4BY.

PROFITABLY MANAGED COMMODITY ACCOUNTS DOCUMENTED SUCCESS IN COMMODITY TRADING PROGRAM
Send for 1st copy results and information on Debit Transfer—computer managed commodity account.
● Over 1,000 trading methods tested on each commodity.
● Daily runs and analysis by tele or computer terminal.
● Daily comments on Reuters.
● Direct Voice Lines to Chicago and own news exchange floor.
● Statements of Accounts, Purchase and Sale statements and Monthly Activity Statements.

NEW PRODUCTS WANTED

Small but well-established Company in North London selling industrial cleaning products, wishes to take on additional lines, preferably in the field of industrial consumables. Capital available to purchase company in related field (perhaps where owner retiring) or would act as distributor for suitable products.
Please reply to Box G.3870, Financial Times, 10 Cannon Street, EC4P 4BY

AGENTS

Lang established specialist engineering company wishes to strengthen its home and overseas representation. Agents are required with the ability to market a wide range of special purpose machinery, bulk handling equipment and heat generation plant.
Write Box G.3865, Financial Times, 10 Cannon Street, EC4P 4BY

LIMITED COMPANIES FORMED BY EXPERTS FOR 7/8 INCLUSIVE READY MADE 203 COMPANY SEARCHES

EXPRESS CO REGISTRATIONS LTD.
30 City Road, EC1
01-628 6434/5, 7361, 9338

INDUSTRIAL CONSULTANTS REQUIRED

US publisher requires writers to produce European reports on industrial subjects in English language. Reply in English giving background and the subjects of which you have special knowledge in these areas.
Write Box G.3856, Financial Times, 10 Cannon Street, EC4P 4BY

MORTGAGES AVAILABLE

Residential up to £250,000 maximum
Commercial up to £2,000,000 maximum
Bridging and Corporate Finance arranged.
Write Box G.3875, Financial Times, 10 Cannon Street, EC4P 4BY

AMERICAN SPORTSCOACH

Our company has found the luxury American motorhome a highly efficient and economic business tool. Many extra features are provided by a large generator. Our 25-footers are hired privately at £15,000 per year up to another SPORTSCOACH.
Call 01-572 2989 anytime for further details.

PLANT AND MACHINERY

522 KVA Gas Turbine Generator, multi fuel, still mounted, fully transportable. 1000 Kw. 1000 Kw. 1000 Kw. 1000 Kw. long lease. Write Box G.3866, Financial Times, 10 Cannon Street, EC4P 4BY. GENERATORS up to 3,000 KVA, new, reconditioned, used. Write Box G.3867, Financial Times, 10 Cannon Street, EC4P 4BY.

DO YOU HAVE ANY BUSINESS PROBLEMS IN IRAN

IF SO, WE MAY BE ABLE TO ASSIST YOU
For further details of services we can offer, write to:
RADLEY SERVICES, Hartford House, 101-103 Gt. Portland St., London W1N 6BH. quoting Reference AF/IRN.

SELLING OIL AND GAS PRODUCING LEASES

Privately owned USA corporation with 100% domestic producing properties valued at \$40 to \$50 million in private bid. If desiring information contact in confidence: Wayne E. Swearingen, Suite 1104, 320 So. Boston, Tulsa, Okla. 74103, USA

FINANCE AVAILABLE

Engineering subsidiary of major UK Group has resources available for new product/small business expansion with or without participation. Write in confidence: Box G.3850, Financial Times, 10 Cannon Street, EC4P 4BY

BUSINESSES FOR SALE

PROFITABLE AND SUCCESSFUL PRIVATE GROUP
Turnover exceeding £4m invites enquiries from individuals, public or large private companies, at home or abroad, wishing to acquire further interests in any of the following fields: Distribution—Leisure—Fabrication.
Assets include valuable freehold property and land totalling over 200 acres.
Write in strictest confidence to the Managing Director, Box G.3857, Financial Times, 10, Cannon Street, EC4P 4BY.

FOR SALE SMALL FERROUS FOUNDRY

situated in West Midlands as a going concern. PRINCIPALS ONLY
Write Box G.3821, Financial Times, 10 Cannon Street, EC4P 4BY.

Half-owner of Private Printing Company

wishing to pursue other interests, would be prepared to dispose of his interest at agreed negotiated price. Nett assets around £150,000. Pre-tax profits in excess of £50,000.
Write Box G.3871, Financial Times, 10 Cannon Street, EC4P 4BY

FOR SALE SWIMMING POOL CONSTRUCTION COMPANY

Swimming pool construction company based in Home Counties. Good established products. Turnover £500,000 p.a. with financial support, could double.
Principals only need apply
Initial enquiries to: TURNER, EASDALE AND CO., 14 Great Castles Street, London, W1

S.W.1. ESTABLISHED ESTATE AGENCY

dealing top end market for sale with 10-year lease of premises. Any suitable offers considered.
Write Box G.3876, Financial Times, 10 Cannon Street, EC4P 4BY

FOR SALE PROFITABLE BUTCHERY/FREEZER FOOD CENTRE

Rising turnover £280,000. Exporting frozen meat and meat products. 5,500 sq ft. Main town centre site adjacent 500 vehicle car park. NTA approx. £725,000.
Located N. Midlands
OVERCO LIMITED
4 Bank St., Worcester (0905) 22303

COMPLETE MANUFACTURING UNIT

Firm fermentation through to carbonation, bottling and packaging for sale. Includes: 1000 litres, fruit juice, cider, and other similar products. Leasehold premises of very attractive rural based in West Sussex. Annual capacity around 100,000 gallons. Quick sale required. Any suitable offers considered.
Apply in confidence to Box G.3877, Financial Times, 10 Cannon Street, EC4P 4BY.

FOR SALE: Long established distributor to retail trade with £500,000 turnover has 100% cash turnover and is now capitalised. Fully equipped. £50,000. Write Box G.3878, Financial Times, 10 Cannon Street, EC4P 4BY.

BUSINESS OWNERS

LIGHT ENGINEERING WITH ELECTRONIC CAPABILITIES

Our clients, a profitable group, manufacturing and marketing in the technical specification field, with UK, overseas subsidiaries and agents, have surplus financial resources.
They are looking for smaller companies, operating preferably in light engineering, mechanical/electronic fields who are capable of development, and may require general management, financial and marketing support to realise their potential. Terms: Would like to explore with owners and directors possibilities of association, investment or take-over.
In the first instance discuss confidentially your views with Michael Bretherton, Director
Right Match International Limited
5 St. James's Place, London SW1A 1NP
Telephone: 01-491 4737 Telex: 97180
24hr telephone answering service

A GUARANTEED SOLUTION TO CAPITAL GAINS TAX

A special facility is available to our clients which avoids a C.G.T. liability arising on the sale of a substantial company. Inland Revenue clearance can be obtained BEFORE you proceed with the sale ensuring NO RISK OF FAILURE. If you are faced with a potential gain of £100,000-£1 million on a future planned sale please write for full details. (We regret on telephone calls can be accepted.)
Managing Director (Ref. C.G.T.)
Ashill, Carr & Partners Limited
Tricorn House, Five Ways, Birmingham B16 8TP

EXPAND YOUR TURNOVER!

We are an established Midlands Distribution Company based in Central Scotland with first class warehousing and transport facilities. We are established first class Sales Force covering Scotland, Northern Ireland and the North Eastern Counties. Why not talk to us about marketing and distributing your products? Reply in confidence to Box G.3822, Financial Times, 10 Cannon Street, EC4P 4BY

COMPANY DIRECTOR

with capital available seeks investment opportunities. Up to £30,000 to invest. Participation in management could be arranged.
Write Box G.3874, Financial Times, 10 Cannon Street, EC4P 4BY

BLOCK DISCOUNTING FACILITIES REQUIRED FOR

- 1) Credit sale
 - 2) Hire purchase
 - 3) Leasing agreements
- Please reply in strictest confidence to Box G.3879, Financial Times, 10 Cannon Street, EC4P 4BY

Overseas Investment £850,000

Fully self-contained holiday complex in much sought after position on small Mediterranean island. Briefly comprises—solidly built, fully-furnished villas and flats with bed capacity in excess of 200. Large swimming pool, licensed restaurant—fully booked until November.
For further details or appointment to discuss—principals only please, write to Box G.3867, Financial Times, 10, Cannon Street, EC4P 4BY.

WASTE DISPOSAL COMPANY FOR SALE

Company with own dry tipping facilities situated in north-east of England. The company has a modern, well maintained fleet of dry anr liquid waste vehicles.
TURNOVER £500,000. NET PROFIT £100,000
Offers over £550,000 expected. Write Box G.3875, Financial Times, 10, Cannon Street, EC4P 4BY.

BAMFORD BUSINESS SERVICES

have clients wishing to sell companies manufacturing Cutlery - Tableware - Pottery
Principals and Professional Advisers please apply to Bamford Business Services Ltd.
Bamford, Sheffield S20 2AU. *Phone 043 34 556

FOR SALE FENLAND MARINA

Price Guide: £180,000
Principals Only
Write Box G.3879, Financial Times, 10 Cannon Street, EC4P 4BY

WELL KNOWN FIRM

of long-established antique dealers/restorers (members B.A.O.A.) unexpectedly for sale due to changed personal circumstances. Substantial turnover, valuable shop lease in prime position available if required. Apply in first instance to Solicitors, Box G.3845, Financial Times, 10 Cannon Street, EC4P 4BY.

BUSINESSES WANTED

Business Wanted

Successful manufacturer and distributor to the domestic heating industry. T/O £2m. wishes to purchase small sheet metal and/or wire company to give extra production for own products. Existing good management essential and would be retained.
AREA: SOUTH LONDON - MID KENT
Reply in confidence to Box G.3861, Financial Times, 10 Cannon Street, EC4P 4BY.

ENGINEERING COMPANY WANTED

Fabrication and engineering company wanted, Home Counties area—loss-making company considered. Please ring R. Penfold 01-493 7151 or write 20/21, Princes Street, London W1R 8PX.

WANTED TO PURCHASE

Marketing Company with small sales team and established product lines related to the construction industry in UK and/or export areas. Small to medium size. Possibly with parts operation. Could be company in need of complete reorganisation or development.
Full details please, in confidence, to Box G.3862, Financial Times, 10 Cannon Street, EC4P 4BY

NATIONAL STORAGE DISTRIBUTION COMPANY

(privately owned) seeks to expand by the acquisition of other companies in the same industry. Full details, please in confidence, to Box G.3823, Financial Times, 10 Cannon Street, EC4P 4BY

TWO PUBLIC COMPANIES

Two of our clients, both large public companies, wish to acquire existing small (£2-10M) public companies in the Home Counties area. Areas of interest include: Industrial holding companies; engineering; construction materials and services; distribution and product manufacturing. Substantial shareholdings and/or assets available to individuals who wish to invest. Please reply in confidence to Box G.3824, Financial Times, 10 Cannon Street, EC4P 4BY.

Complete Textile Transfer Printing Plant FOR SALE

Comprising: 3 x 6 colour flexographic printing presses. Web width 64 inches (162 cm) also ancillary plant in modern factory 17,000 square feet. Over 1,000 textile designs either on rollers or in the form of moulds. Also sales warehouse fully stocked of 11,000 square feet. Staff at the moment under notice of redundancy. Will sell as complete unit or will sell machinery, stock etc individually. Apply: Liberty Works, Eastern Boulevard, Leicester. Telephone 0533-549717 Telex number 34638.

AGENCY OPPORTUNITY

The products are related to Industrial Energy Conservation on three very broad fronts. All are U.S.A. manufactured and proven in the American market place. Government sponsorship in this area makes the project important politically, ecologically and nationally. There are major customer attractions in terms of maintenance and cost saving. Sole European Stockists are looking for active and able regional agents in the UK and Europe. Exclusive territorial rights will be granted to persons or corporations with satisfactory credentials. APPLY IN CONFIDENCE to: The Chairman, A.E.W. Energy Limited, North Way, Walworth Industrial Estate, Andover SP10 5AV.

FINANCE FOR THE DEVELOPING COMPANY

Obtain details of our Factoring and Invoice Discounting Services
ARBOUTHNOT FACTORS LTD.
Brecka Place, Hastings TN34 3AB
Contact: S. E. Finch
Tel: 0424430824

LEASING FACILITIES REQUIRED

Expanding private Group of Companies has available a continuing demand for Leasing facilities for a wide range of customers in amounts from £10,000 to £100,000. Block discounting facilities will also be considered. We are particularly interested to hear from Corporate and Private Lessors requiring direct business on a continuing basis.
Write Box G.3868, Financial Times, 10 Cannon Street, EC4P 4BY.

CAPITAL GAINS TAX CAPITAL TRANSFER TAX

Arrangements approved by leading Tax Counsel can be made to enable an individual to mitigate CGT and CTT on disposals of shares in close companies or other assets. Principals only write in first instance to Managing Director, PANORAMA SECURITIES LIMITED, 18 Manor Farm Road, Bitterne Park, Southampton.

EQUIPMENT LEASING ASSETS

Substantial leasing book available with captive non-recourse debt capacity, for back-to-back assignment prior to 22/6/79. Specific proposals invited from principals with clear B.O.E./R.B.A. route.
Tel: Sydney 2334790, 23.00-10.00 GNT or Telex 31509

CREDIMO LTD.

Established Belgium financial firm, seeks contact with English based establishments who are interested in participating with existing Belgium firms.
For information please Telex 2551 CREDIM or telephone Belgium 32-2-4528790
CREDIMO NV
Kalkoven 22-34
1700 ASSE Belgium

EXPORT SERVICES

Are you satisfied with your exports? We specialise in exporting in the Middle East and Africa and have a young aggressive marketing and shipping team available to assist you in creating or expanding markets in these areas.
For details, please write to: ALESSEY TRADING LIMITED
8 Cornwell Terrace, London, NW1
Tel: 01-486 3001

IBM ELECTRIC TYPEWRITERS

Factory reconditioned and guaranteed by IBM. Buy, save up to 30%. Lease 3 years from under £15 weekly. Rent from £25 per month.
Tel: 01-641 2365

PROPOSE NEW weekly air freight charter service from UK-Kampala commencing 2nd June

Exporters requiring further information should write immediately to: Box G.3843, Financial Times, 10 Cannon Street, EC4P 4BY

TAX ADVANTAGE

Up to 100 gas can first year allowance, 1,000 tons Cassair, British gas, in cash with bonus back to sellers. Price £250,000. Finance 50/70% can eventually be arranged.
Write Box G.3864, Financial Times, 10 Cannon Street, EC4P 4BY

PISTACHIO GROWER

350 tonnes annually, seeks collaboration with investment in Processors/Distributors U.K./Europe.
Write Box G.3859, Financial Times, 10 Cannon Street, EC4P 4BY

ENGINEERING CAPACITY

Large, long-established Brazilian manufacturer with modern automatic lathes and press, up to 500 tons. It looking for additional work to select projects, small mechanical and electrical communications fields. Manufacturing parts or equipment for third markets. Please reply to Box G.3855, Financial Times, 10 Cannon Street, EC4P 4BY. All inquiries will be answered promptly and will be treated with strict confidence.

LARGE LIMITED COMPANY

invites enquiries and quotes on exceptional value for money lines in the domestic field. All the better should they be unique lines. Large quantities preferred but not essential. Please reply to: Box G.3876, Financial Times, 10 Cannon Street, EC4P 4BY

NEW PRODUCTS

Well-established company manufacturing and selling to health equipment and leisure markets will listen to new business propositions.
Write Box G.3852, Financial Times, 10 Cannon Street, EC4P 4BY

LIFTS FOR ALL YOUR LIFT PROBLEMS CALL EASTON ELEVATOR CO. LTD.

NEW LIFTS, Modernisation, Repair and Maintenance (24-hour Radio Call) Modernisation in Health and Safety Act Standards our speciality. Tel: 0404/0404
62 Colmore Street, Birmford Essex RM7 7DT

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

HANDLING

Reduces storage space for goods

SEMI-AUTOMATIC warehouse equipment developed by Alvey Conveyor will achieve very high storage densities and rapid input and output of products such as packaged goods including foodstuffs, pharmaceuticals and canned or bottled beverages.

All warehouses with mechanical access systems achieve fairly high storage densities, of course, because there is a much reduced need for gangways and fork-lift trucks and also because racking can be erected to a much greater height. The Alvey High Density System takes this principle a step further, however, by having only one crane, in a central aisle, which obtains access to all stored products—moving along the aisle and up or down as necessary.

Access to pallet loads in individual racks is obtained by a Storage Access Module, or SAM. This is a small battery powered, radio controlled trolley which runs on rails to and from the central crane, placing or retrieving pallets as required. The high throughput of this system results partly from the speed of the crane and SAM, working together, which handle pallet loads on a First In/Last Out (FI/LO) basis. Control of the whole system is still very much in the hands of the crane operator, working from an air-conditioned cab, but he can be given computerised information which tells him which address to go to next in order to ensure maximum efficiency of the system as a whole.

Primarily intended for fast-moving high-volume storage, it is most suitable for installations requiring more than 2,000 pallet positions. A single crane can then carry out 40-80 missions per hour. For very large warehouses, or where higher throughputs are required, more than one crane could be installed. Order picking, and order assembly areas can be incorporated as required at ground level for slow moving lines.

Benefits of the Alvey system include the reduction of operating staff, particularly important when the warehouse is refrigerated, and high reliability. The combination of the single aisle crane and SAM result in a more compact shape than comparable systems, which in turn means a lower construction cost for the same volume and less heat loss, or heat gain, if refrigerated.

Alvey Conveyor Europe (UK), Unit 2a Dolphin Estate, Windmill Road, Sunbury-on-Thames, Middx. Sunbury-on-Thames 86176.

Feeds in the materials

BUILT TO cope with the most testing duties, such as foundry and glass plant work, is a range of heavy duty screw feeders which will give feed rates up to five cubic metres an hour with metering accuracies from one to two per cent, depending on flow rate and material involved, says S.A.P., Calsford Industrial Estate, near Stroud, Gloucs. (045 388 4144).

Offering a long service life, the feeders are compact and have a variable speed screw. The feeder is mounted above a rotary vibrator unit which effectively smooths and steadies the flow of the material. This eliminates blocking or "arching" associated with some powdered materials, and also improves metering accuracy.

The feed hopper also incorporates a simple baffle arrangement which maintains a constant head to overcome feed rate fluctuations.

Vibration frequencies and amplitudes can be varied, and full flight or wire type screws are fitted to suit the handling characteristics of different materials.

IN THE OFFICE

Recorder is easy to use

CONVENIENCE, ease of use, and recording quality, are features promised in a new portable cassette recorder, Model RQ-331 (£53.30 plus VAT) introduced by Teletronics, 9 Connaught Street, London W2 (01-262 3121).

Lightweight and small (it weighs 1½ lb and measures 6½ x 4 x 1½ inches), it can be operated entirely by one hand, says the maker.

ELECTRONICS

Cathode ray tube display unit

BRIGHT CRISP images can be generated with a low cost cathode ray tube display unit from Tektronix, offered in a number of forms to suit OEM requirements.

Known as the 620, the unit uses an electrostatic tube operating at up to 26 kV to give a spot size of 0.36 mm on a 100 x 120 mm screen. Crisp images are maintained up to a brightness level of 100 candelas per square metre.

Model 620 can be supplied stripped down without handle feet or covers for in-system installation, with covers only, or complete. It can be supplied in a horizontal format with space for the customer to incorporate his own circuits, or with vertical double height format.

With no packaging the unit measures 133 x 214 x 499 mm and weighs 5.33 kgs.

Trainer is given many facilities

SEBITRON PLT portable language trainer produced by Smiths (Electrical Engineers), Bamber Bridge, incorporates a cassette recorder and several additional control facilities.

Suitable for individual language learning in education, commerce and industry, it has separate "master" and "student" cassette tracks with facility for simultaneous playback of the master programme while the user is recording his response. It can be used in conjunction with a variety of foreign language study courses, which are based on cassette programmes, without the risk of accidental erasure of programme material.

Controls on the portable system include independent volume controls for master and student cassette tracks, manual/preset record level switching, a cassette revolution counter and an automatic full stop mechanism which will operate when the end of a cassette tape is reached. Also incorporated in the new PLT design is a memory rewind facility, enabling the cassette machine to be stopped automatically when the revolution counter reaches zero position.

This company operates from Balwin Street, Bamber Bridge, Preston PR5 6SR. Preston 35963.

DATA PROCESSING

Quick displays of graphics

TEKTRONIX has added two units to complement the 4051 desktop graphics computing series.

They are the 4052 and 4054, offering greatly increased speed in processing and data communications. Using the Tektronix flicker-free storage screens, internal magnetic tape drive with 300k-bytes for data and program storage, and an IEEE-488 general-purpose interface bus, they both incorporate a new company-designed 18 bit bipolar bit-slice processor which allows greatly increased system speeds.

They can also generate dense displays of mixed graphics and alphanumeric faster than ever. Instructions allow processing speeds to be on average 10 times faster than on the 4051, and up to 40 times faster—depending on program content. The processor also has new instructions added to facilitate fast accurate 14-digit floating-point arithmetic. Other benefits are increases in data processing and data communications speeds. The data communications interface provides rates up to 9,600 baud.

The 4052 has the same 11-inch screen as the 4051 and the same constant-time vector generator, but the 4054, with its 19-inch CRT has a constant-rate genera-

tor allowing it to draw short vectors faster and thereby significantly increasing drawing speeds.

This high resolution 19-inch screen allows up to 13m resolvable points and accommodates 133 lines of text.

The 4054 also provides better quality characters by the inclusion of a vector character generator instead of the more usual dot-matrix method. Four user-selectable character sizes are provided, as are facilities for drawing dotted, dashed and solid vectors.

Tektronix UK, Beaverton House, POB 69, Harpenden, Herts, Harpenden 63141.

Electronic book-keeping system

ACCORDING to Computer Systems International there is still a considerable untapped market for the easily-used mini-computer-based system able to perform the basic small to medium company's basic accounting functions.

Such systems, says CSI, must be readily acceptable by book-keepers and ledger clerks and there should be no need for anyone in the company to have any computer knowledge of any kind.

Thus, CSI is making a complete hardware and software offering, "holding the customer's hands" for as long as

necessary and treating the system as a piece of office equipment.

The offering, which can cater for a single company or a number of associated companies, can deal with sales ledger including automatic invoicing and statements, remittance advice, bought ledger including automatic cheque writing and minimal ledger to balance sheet, profit and loss and trial balance. A comprehensive package including pay-slip, cheque/Giro production, is available which may be optionally interfaced with the nominal ledger for budgetary control analysis.

The company claims that an experienced book-keeper can learn to use the system in half an hour, having had no previous experience on any similar equipment.

It is based on a Nova 3 or 4 processor, a printer, up to four VDU screens, with keyboards, diskettes for file storage and the necessary software. Various reports and analyses can be produced on the printer to suit the user. If required, the system can be expanded to include word processing, stock taking and other jobs.

More from the company at 110, St. Martin's Lane, London, WC2N 4BH (01-536 6775).

PROCESSING

Under-sink domestic water purifier

ORDINARY domestic water softening equipment is sometimes regarded as producing water not suitable for drinking, because virtually all the calcium and magnesium salts forming the "hardness" are converted to their sodium equivalents. The resultant increase in sodium content could be unacceptable for anyone following a low-sodium diet.

Water containing only about 10 per cent of the original total dissolved solids content can be obtained on domestic scale by the Calco UR0150 under-sink purifier. This machine operates on reverse osmosis. As the water passes through a permeable membrane in the machine under ordinary mains pressure, most of the dissolved salts including calcium, magnesium and sodium salts do not pass through the membrane and are discharged in the waste stream. The treated water is soft because the quantity of all constituent salts has been reduced, and there is a reduction—not an increase—in the

sodium content.

Reverse osmosis is mostly associated with large and expensive water treatment installations. The UR0150 model literally fits under the kitchen sink, operates under mains water pressure between 23 psig (1.6 bar) and 100 psig (6.9 bar), giving an output of 4-6 gallons per day. It is coupled direct to the mains water supply, and incorporates a carbon filter for removal of any chlorine that may still be present from the sterilisation process usually carried out at source. No electricity is required, no chemicals are needed for regeneration as is the case with the ordinary water softener, and the first cost compares favourably with a domestic water softener.

This machine is marketed in the UK by Marumo Importers and Exporters, 192 The Broadway, Wembley, W19 1RD. 01-540 9906.

CATERING

Dispenses the chips

AT THE present time, chips/french fries are usually served by means of a scoop or catering shovel which, apart from being time consuming, does not create uniformity of portions, says Portionmat Engineering, 1 Willow Parade, Cranham, Upminster, Essex (04022 23552).

Offering accurate portion control of chips (or any other product which is dispensed in thousands of portions), and obviating damage during serving, is a machine which the company will exhibit at the Fast Food Fair, Brighton, November 5-7 this year, and at Olympia in January 1980.

Great benefit of the machine is that the food does not lose heat as it only takes about three seconds per serving.

Portionmat says that it is looking for companies in the U.S. that would be interested in manufacturing the machine under licence.

SAFETY

Grain tank level alarm

SIMPLE AND inexpensive, an automatic grain tank alarm warns the driver when grain in the tank rises to near capacity. If linked to an optional flashing beacon, the alarm will alert a driver with an empty trailer and guide him to a harvester with a full tank.

Designed to respond to the pressure of grain on a diaphragm, the alarm is fitted in any of several alternative positions, depending on the design of the tank on the combine being equipped. It is a simple pressure switch of a type already proved over many years in similar duties. An important aspect of the alarm is that the cab unit gives audio signals as well as visual. For this reason, it does not have to be positioned in the combine driver's line of vision.

When the optional flashing beacon is fitted, a switch on the cab unit enables the driver to switch it on at will, whether the grain tank is full or not, to summon assistance in the field or as a warning when driving on the road.

RDS (Agricultural), Stroud Road, Nailsworth, Stroud, Gloucs. GL6 0BE. 045-383 3787.

LOCAL AUTHORITY BONDS

Every Saturday the Financial Times publishes a table giving details of Local Authority Bonds on offer to the public.

For advertising details please ring Stephen Cooper 01-262 8000, Ext. 7008

electrical wire and cable?

NO MINIMUM ORDER **ANIX** NO MINIMUM LENGTH

Thousands of types and sizes in stock for immediate delivery

LONDON 01-561 8118 • ABERDEEN (0224) 724333 • GLASGOW (041) 332 7201/2 • WARRINGTON (0925) 810121

TRANSFER CALL CHARGES GLADLY ACCEPTED 24HR. EMERGENCY NUMBER 01-637 3567 Ex. 409

Let us introduce you to a new range of Electric Motors on the U.K. Market-

VEM Electric Motors

The range of motors from the "VEM" Group of the GDR have already established an excellent reputation in over 70 countries for industrial applications including pumps, fans, compressors, mechanical handling. Recently introduced to the U.K. market—we are in a position to offer a wide selection of three phase motors—standard motors—gear motors—brake motors and single phase motors all available from U.K. stocks.

SEND FOR THIS BROCHURE TODAY

In our Motor Stock List you will find (with prices) our complete range of over 200 motors which all comply with the BS & IEC International Standards. Complete the coupon, or telephone, for your copy today.

Quality products from the GDR

Please send me the VEM Stock List

Name _____ Company _____

Address _____

VEM Motor Division, C.Z. Scientific Instruments Ltd., P.O. Box 43, 2 Eborac Way, Borehamwood, Herts. WD8 1BH. Tel: 01-853 1655

INSTRUMENTS

Testing for hardness aided

LOVELL for construction 01-995 1313

HOPING TO cover an apparent shortage in this country is a range of hardness test blocks by the Yamamoto Scientific Tool Laboratory in Japan, available in the UK from Hardness Control Instruments, Maylite Trading Estate, Marley, Worcs. (088 86 493).

Although hardness—unlike weight and length—is not a statutory standard, international agreement and correlation on hardness scales is closely linked, says the company. Primary requirements of standard test pieces are, therefore, uniformity of hardness over the entire reference surface, with highest possible dimensional accuracy and metallurgical stability.

Other requirements are that they be corrosion resistant, generally hard-wearing and sturdy, made from readily available (re-usable) materials, and are portable.

In addition to the common requirements for blocks covering Rockwell "C", "B" and "A" scales, standard production of these test blocks covers for Shore, Vickers, Micro-Vickers and Brinell, plus "superficial" Rockwell, Rockwell "M", and "R" scales, and Telschmittler.

PRINTING

Small web-offset press

CENTURION is a small web-offset press, intended for high quality commercial work including magazines, diaries, hard covered books and catalogues. This is an extension of Strachan Henshaw's publication equipment and enables the latter to offer a standard size web-offset press and folder incorporating many of the advantages of custom-built machines.

It is available in three repeat length sizes—578 mm, 600 mm and 625 mm—and can be fitted with Smith, Dahlgren or the company's own dampening systems to customer choice. Many folder options are available.

First Centurion to be installed will be a two-colour 625 mm version at the Derby works of Bemrose and Sons which has decided to print by web-offset at this particular plant to upgrade quality and increase production. Among the first items to be produced will be the Stanley Gibbons stamp catalogue.

Strachan Henshaw, Speedwell, Bristol BS5 7UZ. 0272 558261.

Don't let a little tear make a big hole in your profits.

Last year one of our customers despatched 20,000 CarrySafe woven plastic sacks full of seed. Unlike the sacks he used before, not one of them burst. And for every one that didn't he saved nearly £20.

Bursting is just one way that costly products can be lost on the way to market. Another is the tiny tear that grows into a long split and spills the contents—and your profit—down the drain. But woven plastic sacks won't allow little holes to spread.

Like the rest of the Bowater range of paper, paper/plastic and woven plastic sacks, the CarrySafe was thoroughly researched. Although that's no more than you'd expect. After all, our range of heavy duty sacks is the largest and most advanced in the UK.

If you think damaged sacks are making a hole in your profits, call us. We'll soon put a stop to your problem.

Bowater Sacks

Bowater Sacks Limited, Ellesmere Port Wirral, Cheshire L65 1AQ. Tel: 051-355 1951.

Worldwide Investment in the United States

NEW YORK-JUNE 18 & 19 1979

What are the prospects for foreign investment in the United States? New York in world finance — what will be its position in the next decade? Why the United States is so important to the international banker.

These, and many other questions, will be examined and discussed at the Conference "Worldwide Investment in the United States", to be sponsored by the Financial Times, World Business Weekly and The Banker in New York on June 18 & 19, 1979.

Amongst the distinguished panel of speakers will be:

Mr. Edward L. Palmer, Chairman of the Executive Committee, Citibank N.A.

Dr. Michael von Clemm, Chairman and Chief Executive Officer, Credit Suisse First Boston Ltd.

Mr. Akira Harada, Senior Managing Director, Matsushita Electric Industrial Co. Ltd.

Mr. George Ball, Partner, Lehman Brothers Kuhn Loeb Inc.

Mr. Omar El Abd, Vice President, Salomon Brothers International Ltd.

Dr. Robert Sutz, Executive Vice President, Union Bank of Switzerland.

For full details of the agenda and registration procedures, complete and return the coupon below.

WORLDWIDE INVESTMENT IN THE UNITED STATES

To: Financial Times Limited, Conference Organisation, "WORLDWIDE INVESTMENT IN THE UNITED STATES", Bracken House, 10 Cannon Street, London, EC4P 4BY. Tel: 01-336 4332. Telex: 27347 FTCONF G

Please send me full details of your conference "Worldwide Investment in the United States"

Name _____ Company _____

Address _____

Tel: _____

A FINANCIAL TIMES CONFERENCE

As with any garden, its growth we want.

We in Cwmbran New Town, the garden city of Wales, believe in planned growth.

Industrialists considering relocation here may qualify for government grants and rent-free periods.

We can offer them factory units up to 10,000 square feet for immediate letting. Good housing is ready for key personnel. Labour is plentiful.

London and the Midlands are only two hours by motorway or 90 minutes by rail, airports are conveniently close and some of Britain's best dock facilities are on the doorstep.

Life is good here. Golf, salmon fishing, the River Usk, Wye Valley and Brecon Beacons are all nearby.

Let's plan together. And together we'll grow.

For literature, return the coupon to R.W. Howlett, General Manager, Cwmbran Development Corporation, Cwmbran, Gwent NP44 1XZ. Or telephone Cwmbran 67777.

Cwmbran Garden City of Wales

Name _____

Position _____

Company _____

Address _____

THE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

Jason Crisp on the weighing machine company which is fending off a takeover from GEC

Averys—weighing in on the chip revolution

IT'S AN ill wind . . . Few British companies will be welcoming the looming prospect of petrol at more than a £1 a gallon. But Averys one of the best known names in the engineering industry will be tickled pink.

Once the £1 point is passed, most of the old petrol pumps with mechanical registers will become obsolete. Averys is the only British owned manufacturer of electronic pump meters; its latest, with microprocessor and electronic digital read out can be set at up to 999.9p a gallon.

This is a small ray of sunshine in what has been an awkward year for Averys' management, overshadowed as it has been by the unwelcome bid from GEC, and upon which the Monopolies Commission is currently ruminating. In fact GEC has had no official offer on the table since takeover talks with Averys collapsed in January, but its co-operation with the Commission's inquiry proves that it is still very interested. And certainly that is Averys' belief.

The GEC bid has drawn particular attention to Averys' whose basic business is weighing machines, has kept ahead of the electronics revolution. That the Birmingham-based firm is exceptional is more a reflection on the failure of other British engineering companies to keep up with technological advance, rather than a sign that it is years ahead of the rest of the world.

Averys dominates the market for shop scales, its single largest selling product. Such machines are surprisingly expensive. Thieves breaking into shops have been known to ignore other temptations and just take the scales. At around £1,500 each one can see why. Even so, they are sold to a diverse range of outlets from Safeways to corner shops.

The Mark 2 version of Averys' shop scale does away with much of the electronic componentry in the original "1750" model, replacing it with much smaller and more powerful microchips. Increasingly Averys is also using microchips in its extensive range of accurate industrial weighing, measuring and testing equipment.

A good example is a weighing-in-motion system which has been installed at the National Coal Board's Grimethorpe colliery. Empty goods trains coming into the colliery pass slowly over this device (at less than 5 mph) as it measures the axle weights of all the wagons, ignoring the weight of the locomotive. When filled the trains pass back over it, and it prints out the total weight of each wagon, showing how much of that is wagon and how much coal; it gives the total for the whole train as well.

Averys' recent growth has been strong and steady rather than spectacular. Ten years ago turnover was £27m and pre-tax profits £3.4m. After a decade

of steady growth, it edged into the top-up club in 1977, with turnover of £100.14m and pre-tax profits of £15.4m.

But there was a set back last year. Last week's results showed that growth had nearly halted, with sales rising only £6.77m and pre-tax profits marginally ahead at £15.8m. But many of the factors appear to be exceptional, one of the major setbacks was industrial action during the first half.

Over the past decade, it must be said, Averys has benefited from a good following wind. Consumerism has continued its inexorable growth, bringing with it a greater consciousness of accurate measuring.

Decentralisation and mechanisation, too, have been and are an obvious boon to Averys. The introduction of electronics into Averys has meant entirely new skills have had to be introduced at all levels into what always has been—and largely continues to be—basically a mechanical precision engineering company.

The company falls into three main divisions; weighing and testing, general products, and an international division, which operates mainly in the old colonies. General products account for 27 per cent of turnover and includes petrol pump metering, pump maintenance and office chairs.

The weighing and testing division, W and T. Avery, as it is now known, is the biggest (73 per cent) with its products roughly equally divided between industrial and retail. The other companies in that division are almost totally directed towards making products for industrial use.

Averys first started developing and introducing electrical and electronic equipment in its weighing machines in the early '60s.

In 1962 the company set up a research unit based away from the main factory and operating independently. The Applied Research Unit, as it is known, carries out the control of a development panel which is chaired by the general manager of W. and T. Avery. Averys



Averys' management and unions lobby MPs to prevent GEC takeover. From left to right: Ken Mills, director of Averys; Jim Trevor, Averys Branch Secretary of AEU; Bob Boothroyd, Peter Archer and Bruce George, Labour MPs; Will Smith, Averys Branch chairman of ASTMS.

describes this as a "high level bridge" between the company and the research unit. It means the unit neither becomes remote nor are its developments ignored.

The unit has just moved into a new building, twice the size of its original, costing £1m. It now employs 40 people and Richard Hale, chairman of Averys, says research and development expenditure represents 4 per cent of turnover, "high for an engineering company. We let them spend what is sensible, but we control more the way in which they work."

Research and development in electronics is not confined to the special unit but it is also carried out by the technical departments in the individual subsidiary companies.

The company admits that there may be duplication of work by some companies in the group, but that it is often beneficial to have more than one group working on a problem. But it does insist on a very regular flow of information

between the technical and research departments. Although Averys' exploitation of the microelectronics is notable by British standards, the bulk of its research is still—as it always has been—directed towards the transducer, which it describes as the "heart" of the weighing machine. It is the transducer which converts the physical weight into an electric current; only then does the microprocessor take over. The microprocessor may be very important to the overall product, but it represents only 2 per cent of the total cost of retail scales.

Yet it is Averys' successful utilisation of electronics in accurate measuring which obviously had much to do with prompting GEC into making its "now-you-see-me-now-you-don't" bid at the end of last year.

At the end of last November both companies announced that they were considering the benefits of proposed "merger" with GEC holding 23.5p for Averys ordinary shares—which at the

time were standing at 17p. The current price now stands at 26.2p.

Averys' immediate reaction was to emphasise that it was only willing to negotiate with GEC if it could see the industrial and commercial benefits from such a liaison. The ascertainable benefits of coming under the GEC wing would be to give it access to GEC's technological expertise, as well as its financial strength.

While Averys' management was taking an open-minded attitude to GEC's advances, the workforce, through the trade unions, was quick to cry "rape." Richard Hale is rather proud of the letter he has from nine of the recognised unions that was on his desk the morning after the announcement denouncing Sir Arnold's approaches.

Averys' management spent some considerable time discussing the takeover with GEC, and particularly looking at GEC's research facilities. The conclusion Averys drew was that there

was no obvious benefit to be gained from GEC's know-how, and that its own balance sheet was sufficiently strong for there to be no need of extra financial resources.

Not only did the Averys' management say it could see no advantage, but it also stated that it could see a real disadvantage in that it could lose markets if it became associated with GEC.

According to Richard Hale, GEC's main interest in the company was Averys' contribution to "Total Information Systems." Averys can supply the weighing or measuring element of such a system; at present it is a very undeveloped market, but it does have significant potential. At the moment most sales are to the U.S., providing a very small part of Averys' turnover. Hale argues that if Averys became part of GEC, those of its U.S. customers who are GEC competitors would look elsewhere.

He is quite insistent that Averys is not being parochial in rejecting GEC's offer. It is, he says, quite simply not in the company's interest.

The Monopolies Commission is due to report within six months of the referral date, which places a mid-August date as the outer limit. Hale says that the uncertainty about the GEC bid has not affected trading, but has been making demands on management time. He adds that the management has been more than happy to have the chance of putting its case to the Commission.

Should the Commission give the thumbs down to GEC, the inevitable spectre rises of another company entering a bid. Hale doubts it though; GEC's is the first and he cannot see by what commercial logic Averys would slot into any other company.

Brazil's pioneer spirit: a magnet for expatriates

BY RIK TURNER

"BUILD A better mousetrap these days in the United States, and you'll probably have to file an environmental impact statement about its effect on the mice." Thus an international executive headhunter, bemoaning the passing of the frontier spirit which once permeated the whole of American business.

You have to look further afield for the old-style pioneering society, suggests Mr. Robert Hein of Egon Zehnder International, the Swiss-based executive search organisation. To him, Brazil comes closer than most countries to the original U.S. model.

Behind this trend lies a

series of factors; most obvious is the pioneer era through which the entire country is passing. But there are other, more specific, factors, including the relative youth of some of Brazil's most highly qualified executives, and the extraordinarily high salaries they can command, even by the already high average level of Brazilian business salaries.

This situation is a natural result of the way the booming economy has pushed demand for top quality executives far ahead of the supply.

Mr. Hein feels that supply has been suppressed by a question of values. "Traditionally, little prestige has been given to a business career. Where as in the States families such as the Rockefellers have played a significant role in the life of the country, and institutions such as the Harvard Business School show how seriously a business career is taken, in Brazil it has often been shunned in favour of law, politics or other disciplines."

This helps explain why there are so many foreign executives working for firms in Brazil. On the surface they may be less well paid than Brazilian nationals, but Egon Zehnder's surveys show that what they receive in fringe benefits tends to make up the difference.

Added to this, Brazilian tax laws are kinder than many other countries. Robert Hein estimates that Brazil's effective tax rate (taking into account non-taxable perks on top of salary) is 25 per cent.

The only foreigners not to benefit from Brazil's generous tax laws are Americans, whose own country taxes not on the basis of residence but of citizenship. This means that American passport holders continue to be taxed even when working and being paid abroad.

There is a way around the problem, so called "tax equalisation," but this proves expensive for the company involved. Hence the growth of what Egon Zehnder calls Third Country Nationals. These are nationals

of one country employed by a company from a second to work in a third.

But would-be executive immigrants to Brazil should be aware that its "pioneering environment suffers from considerable unpredictability. Brazil's national administration is characterised by abrupt and unexpected changes in policy. Such moves by the Government make planning of marketing strategy and financing far more difficult for the executive in Brazil than for his counterpart in Europe.

Business courses

Make Your Advertising Work, London, July 12-13. Details from Eurotech Management Development Service, PO Box 28, Camberley, Surrey, GU16 5ER.

Physical Distribution Management, Brussels, August 20-22. Details from Management Centre Europe, avenue des Arts 4, B-1040 Brussels, Belgium.

International Financial Management Seminar, Geneva, August 13-14. Fee: SFr 5,000. Details from Centre d'Etudes Industrielles, 4 chemin des Conches, CH-1201 Geneva, Switzerland. What is Organisation Development, Brunel University, Uxbridge, June 21-22. Details from The Secretary, Management Programme, Brunel University, Uxbridge, Middx, UB8 3PH.

Managerial Skills for International Business, Fontainebleau, France, August 19-31. Details from Administrative Director Continuing Education, INSEAD, 77305 Fontainebleau Cedex, France.

IBM/CMS IBM SOFTWARE, London, June 26-27. Free: £235 plus VAT. Details from Online, Cleveland Road, Uxbridge, UB8 2DD.

The answer is a piece of cake.

Organising a conference or seminar is like making a cake. You have all the basic ingredients... personnel, agenda, dates. All you need is somewhere to mix them. Which is where you recipe for success can turn into disaster. That's the reason for Confer.

Confer stands for conference facilities. For lifting through the overwhelming choice of venues available and matching location to occasion. We provide exact quotations and arrange everything. Our careful attention to detail and close liaison with venue management ensures everything rises to the occasion. And finally we present you with just one detailed invoice. All for free. And in case you're tempted to think we're cooking the figures, you can think again. Our quotes are guaranteed to be the lowest available at any particular venue. When it comes to conference facilities, we believe we've got all the answers. (Including the solution to the brain-teaser above, cooked up by Mensal. When you know how, it's a piece of cake.

CONFER

CONFER, HTS Management Services Ltd., Lane End, High Wycombe, Bucks. Tel: High Wycombe (0494) 881685.

Membership details of MENSAL, the High IQ Society, from British Mensal, Bond House, St John's Square, Wolverhampton, Tel: Wolverhampton (0902) 26055.

VIDEO CASSETTE SYSTEMS FOR CORPORATE COMMUNICATIONS AND TRAINING

A+V

Video equipment in all formats for sale and hire. Call: Norman Foley, Audio - Video Ltd., 28 Charlotte Street, London W1P 1LX. 01-580 7161.

The fastest buildings in the west... and the north, south and east

Hotel: 0-29,850 sq. ft. in 26 weeks.

Offices: 0-60,697 sq. ft. in 54 weeks.

Offices: 0-61,590 sq. ft. in 65 weeks.

Normally, if you want a new building quickly you have to compromise on quality. If you want quality you have to pay the price in both time and money. This need not be the case. By the use of Kingsworthy, total project times can be dramatically reduced—often by half—when compared with traditional building. Furthermore, Kingsworthy is virtually maintenance-free and every bit as good as traditional building in appearance and finish.

More than 700 projects have been built in the U.K., including offices, hotels, hospitals, schools, laboratories etc, and we invite you and your architect to visit any of these. But firstly, send for our new brochure "Buildings for our time" which explains this unique concept in building and illustrates its many advantages.

Contact T. K. Holder at the address below or the Managing Director of your local Conder Company.

Conder International Limited, Winchester, Hampshire, Telephone: (0962) 882222. Telex: 47465. Companies also at Burton-on-Trent, Darlington, Bridgend (Pyle), Cumbernauld and London.

CONDOR
World leaders in steel-framed buildings.

Another hard day's grind at the Inn on the Park.

We admit that the Inn on the Park does not immediately present itself as an environment conducive to hard work. But it is precisely that hotel's singular pursuit of luxury and excellence in all things that makes it ideal for the gruelling business of doing business.

What more rewarding place to meet clients, profitable or prospective? What more rewarding place to reward your staff's attention?

The Inn on the Park's Blue Chip division will handle your presentations, press shows, cocktail parties, business meetings, even the occasional grand occasion.

Whatever the business in hand, you will find the Inn on the Park's immaculate organisation and unobtrusive opulence concentrate the mind wonderfully.

Naturally this Blue Chip service cannot be extended to the masses, but what other hotel can make a large gathering of people as intimate as a dinner à deux? And the impression you make all the more impressive?

For full details contact Mr. P. T. Alexander, or Mr. T. Rivers, Blue Chip Division, Inn on the Park, Hamilton Place, Park Lane, London W1A 1AZ. Tel: 01-499 0888.

Inn on the Park
Where Blue Chip Business Gets Blue Chip Service

LOMBARD

A test for our aid policy

BY HUGH O'SHAUGHNESSY

THE MINISTER for Overseas Development, Lord Carrington, held a crowded press conference in London last week without once mentioning the British aid programme or the question of overseas development.

This is not as strange as it would appear. Lord Carrington is concurrently Foreign and Commonwealth Secretary and the question of Britain's place in the European Community, the Middle East and détente are very naturally taking a good deal of his time as he settles behind his desk. What is more it occurred to none of the world's assembled journalists to ask him a question about British aid. Lastly, it is said that the Prime Minister is planning to co-ordinate British aid strategies with those of our European partners, inevitably a slow job.

Implications

Nevertheless the omission will make those who are interested in British aid policy and, more generally, in Britain's attitudes in the North-South dialogue with the developing world wonder whether the Overseas Development Ministry will not be quietly shrouded to the back of the stage in the months ahead.

Mr. Neil Marten, the Minister of State with special responsibility for British aid, will doubtless be fighting any such move. To help him in his fight I will take the liberty of suggesting that he make as much noise as he can about the forthcoming decisions about British aid to Bolivia. After all the case has implications far beyond the narrow confines of Anglo-Bolivian relations.

The idea as mooted some years ago that Britain should make a grant of some £100 million for British mining equipment for COMIBOL, the state mining enterprise of Bolivia. The money was to be made available on easy terms to COMIBOL which would not repay it to Britain but to a special fund aimed at providing vital amenities for the Bolivian miners.

(Anyone who doubts that the Bolivian mining industry and the miners themselves are in need of help could do worse than to watch David Dimbleby's Thames TV film about them on Thursday.)

The ODM proposal was, understandably welcomed by the British mining equipment industry which has seen its share of the Bolivian market since it was once dominated by the German firms. In 1977 however the plan was shelved after representations from the Bolivian miners themselves who feared that the military government of the day would make political capital out of it. The cancellation was a hard blow to the general in power.

As one of her last big policy decisions Mrs. Judith Hart decided to reinstate the project in the light of the decision by Bolivia's rulers to hold free and fair elections on July 1. Even now British experts are in Bolivia drawing up new costings for the project which might today involve perhaps £30m.

And Mr. Marten has a chance to put his own stamp on the project. Since the project was conceived Bolivia's agrarians... level GNP has crept above the level at which Britain is supposed to stop giving grants and start giving loans.

Those of a bureaucratic turn of mind are arguing now that because Bolivian statistics show the country as a whole is marginally less indebted than it was a year or two ago Britain should be lending the money rather than giving it as was originally proposed.

Hit-and-miss

This argument takes no cognisance of the fact that Bolivian national statistics are even more of a hit and miss affair than are British national statistics.

Mr. Marten should disregard the advice of those dogmatists who tell him that he must now make a loan, not a grant. After all, he must know that economists is an art to be used with political flair, not an exact science tied to the cause of petti-foggery.

If he did make his own decision we'd all be happier, the British mining equipment manufacturers and the workers in their factories, the Bolivian miners and their leaders, those who feel that a friendly source of tin might come in very useful in the future and those of us who were just a little put out by Lord Carrington's omission the other day.

FOR SOME 10 years now I have been fortunate to pay at least one visit a year to Champagne. Fortunate not only because a rather ordinary little local still wine is there turned into the best sparkling wine in the world. For the visitor that can be something of an occupational hazard. Fortunately also because it is a wine area which like its main product is never still.

There are always developments and changes: some favourable, others not. Ten years ago the area under production vines was about 17,000 hectares; today it is 25,000 hectares. Sales in 1968 were \$8.5m bottles; last year they were 198m. Of these sales 28.5m bottles went abroad 10 years ago compared with 54m bottles last year.

Yet midway through this decade of expansion, unmatched in any other wine district, there occurred the worst slump that Champagne has experienced since the 1930s. In 1974 sales fell back to 105.5m bottles, and the following year exports were down to 28m. Champagne was being sold below the cost of production, let alone replacement: as low as FFR 15 (about £1.70 at the rate of that time) a bottle in the supermarkets. Growers, traditionally regarded as being often accused of being price-greedy, took a 25 per cent cut in the official price of grapes, and 1,000 of them unable to sell their grapes joined the 3,000 already producing their own champagne for direct sale to the public.

The merchants, unable to meet their full commitments to buy grapes for which they were contracted, had to be bailed out by a Société d'intervention group of bankers which bought the grapes so that the merchants could turn them into champagne and pay for them a couple of years later. A normal level of three years' stocks rose to five years.

Vigorous marketing and sharply cut prices caused demand to rebound, and by 1976 sales were 50 per cent higher than two years earlier, above all the result of a rise of 40m bottles consumed on the French market. The following year exports had recovered to a new record total of 48.7m bottles.

Currently, however, this recovery and expansion is as much a matter of concern as of congratulation. For more champagne is being sold than can be profitably produced. In spite of higher prices on the export market sales are still rising—by over 900,000 bottles in the first three months of this year. In particular, after years of unmet demand, champagne appears to have gone to the American market in a big way. Export figures for the U.S. showing a 50 per cent increase on last year, and a prediction of sales close to 10m bottles. The UK too, with a further rise, again leads the world export list.

different market. I have often been told, part of which would graduate to the grandes marques. The latter, in theory should be much better, as they are careful blends of grapes from all over the region. In the first quarter. While the Although price increases have had the planned result of reducing the home market this year by 1.5m bottles (8.7 per cent), it is the merchants' wines that have taken the biggest knock, while the petite directe of the growers' own champagne continues to rise—by a further 600,000 bottles (7 per cent) in the first quarter. While the

WINE

BY EDMUND PENNING-ROWSELL

crasses—it represented 26 per cent of the total in 1968, 33 per cent in 1978—so the amount of grapes available to the merchants diminishes. For some years this was not critical, for the vineyard was expanding by about 600-700 hectares a year. But all new planting has been stopped since the slump, although about 3,500 hectares previously authorised will gradually come into full production over the next four years, making a total of around 33,500 hectares. In 1927 the acreage delimited in which grapes could be grown for champagne only totalled 35,000 hectares, but it included totally unsuitable land as well as land otherwise occupied—including cemeteries. It is an open question how much potential vineyard land is still available, with

estimates varying from 5,500 hectares to only 1,500 hectares. What is certain, however, is that the best areas are more or less fully planted and that further authorisations to plant will be on a much smaller scale than in the 1960s and early 1970s.

Here the growers have the decisive voice, and they have not forgotten the slump of 1974/75. Some still remember the world slump of the 1930s, when grapes were almost given away. If the much desired ample vintage is produced this year, some small additional planting might be allowed early next year. But the first small production would not take place from those vineyards until three years later.

Meanwhile both growers and merchants have benefited from a steady increase in the average yield per hectare, thanks to more productive strains of grape, better cultivation, more manuring and chemical pesticides and anti-rust preparations. This will not prevent the authorised price of grapes rising, as it is fixed on a formula based on 36 per cent of the average price of a bottle of champagne sold in the first eight months of each year. As champagne prices have certainly been rising, last year's top price for grapes of FFR 9.41 a kilo is bound to increase—probably up to between FFR 11 and 12. And the 14 kilos of grapes represent 35-40 per cent of the cost of a bottle of champagne, though no blend is made entirely from top-price grapes.

It would be unreasonable to expect champagne prices to rise in an inflationary world and they have risen much less recently than in the 1960s or 1970s. Most of us would be happy to settle for the non-vintage blend of a reputable house. Those accustomed to keep a few bottles below or under the stairs should in the coming months ensure that the supply is suitably replenished, for apart from normal prices increases, it has proliferated and good quality, the fine in Champagne are far from sparkling.

Return of Ile de Bourbon

IN THE BELIEF that Ile de Bourbon was simply "over the top" when such a disappointment in last year's St. Leger and that he remains a top-class performer, I shall expect him to silence his detractors at Goodwood today.

His finest triumph came when he landed Britain's most valuable race, the King George VI and Queen Elizabeth Diamond Stakes. He has just five to beat

the exception of the outclassed Crispin Beau, has proved something of a disappointment this term, following a tremendous spell in 1978, and I expect to see Jellaby chasing home my selection.

This six-year-old, who handed the Locking Stakes to Don on a play for the best, is being captivated by Brian Taylor out of the saddle on a piece of false ground 75 yards out, has been pleasing Peter Wajlyn since joining his team from Ryan Price's equally successful Findon stable.

It is rare to find a horse making an 800-mile round trip for an apprentice event but this appears to be the case with Regency Elite. Denis Smith's raider from County Durham, among the runners for the Bestgrove Apprentice Handicap, has been a length and a half and the same by Degas and Hope Eternal in Edinburgh's valuable Dalmeny Handicap over seven furlongs on his only previous appearance this season. Regency Elite should have few problems, provided that the additional three furlongs here does not

RACING

BY DOMINIC WIGAN

this afternoon in the Clive Graham Stakes on the Sussex course. He is unlikely to prove a dawdle for the colt-trained by Johnson Houghton and now racing in the colours of Sir Philip Oppenheimer. Not only is he 11 miles on the sharp side for him but Jellaby and Town and Country are both in opposition.

Town and Country, the only course and distance winner with

GODWOOD

2.00—Regency Elite**
2.30—Duck**
3.00—Pit Your Wit
3.30—De de Bourbon**
4.00—Shaab
4.30—Staturque

ENTERTAINMENT GUIDE

THEATRES

GLORIE THEATRE, CC 01-437 1582, 121 Regent St. ...

THEATRE ROYAL, CC 01-636 8285, 3-5 St. Martin's Lane ...

THEATRE ROYAL, CC 01-437 2852, 58 St. Martin's Lane ...

THEATRE ROYAL, CC 01-437 2852, 58 St. Martin's Lane ...

THEATRE ROYAL, CC 01-437 2852, 58 St. Martin's Lane ...

F.T. CROSSWORD PUZZLE No. 3977

1	2	3	4	5	6	7	8
9	10	11	12	13	14	15	16
17	18	19	20	21	22	23	24
25	26	27	28	29	30	31	32

BBC 1

6.40-7.55 am Open University (Ultra high frequency only). 9.10 For Schools, Colleges, 12.45 pm News, 1.00 Pubic Mill, 1.45 The News, 2.00 You and Me, 2.14 For Schools, Colleges, 3.20 Ar Y

9.55 Two of a Kind, 10.45 Tonight, 11.25 Multi-Racial Britain, 11.50 Weather/Regional News. All Regions as BBC1 except at the following times:

BBC 2

6.40-7.55 am Open University. 10.30 It's a Great Life If You Don't Weaken. 11.00 Play School (as BBC1). 11.45 News and Weather for Northern Ireland, 5.55-6.20 pm Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South West (Plymouth).

BBC 3

6.40-7.55 am Open University. 11.00 Play School (as BBC1). 11.45 News and Weather for Northern Ireland, 5.55-6.20 pm Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South West (Plymouth).

BBC Radio London

1 105.9kHz/250m 3 121.6kHz/247m
2 108.9kHz/275m 4 200.1kHz/1000m

John P. ...

THE ARTS

St. John's

Solomon

by ANTHONY HICKS

No, not the Handel oratorio in which the Queen of Sheba arrives...

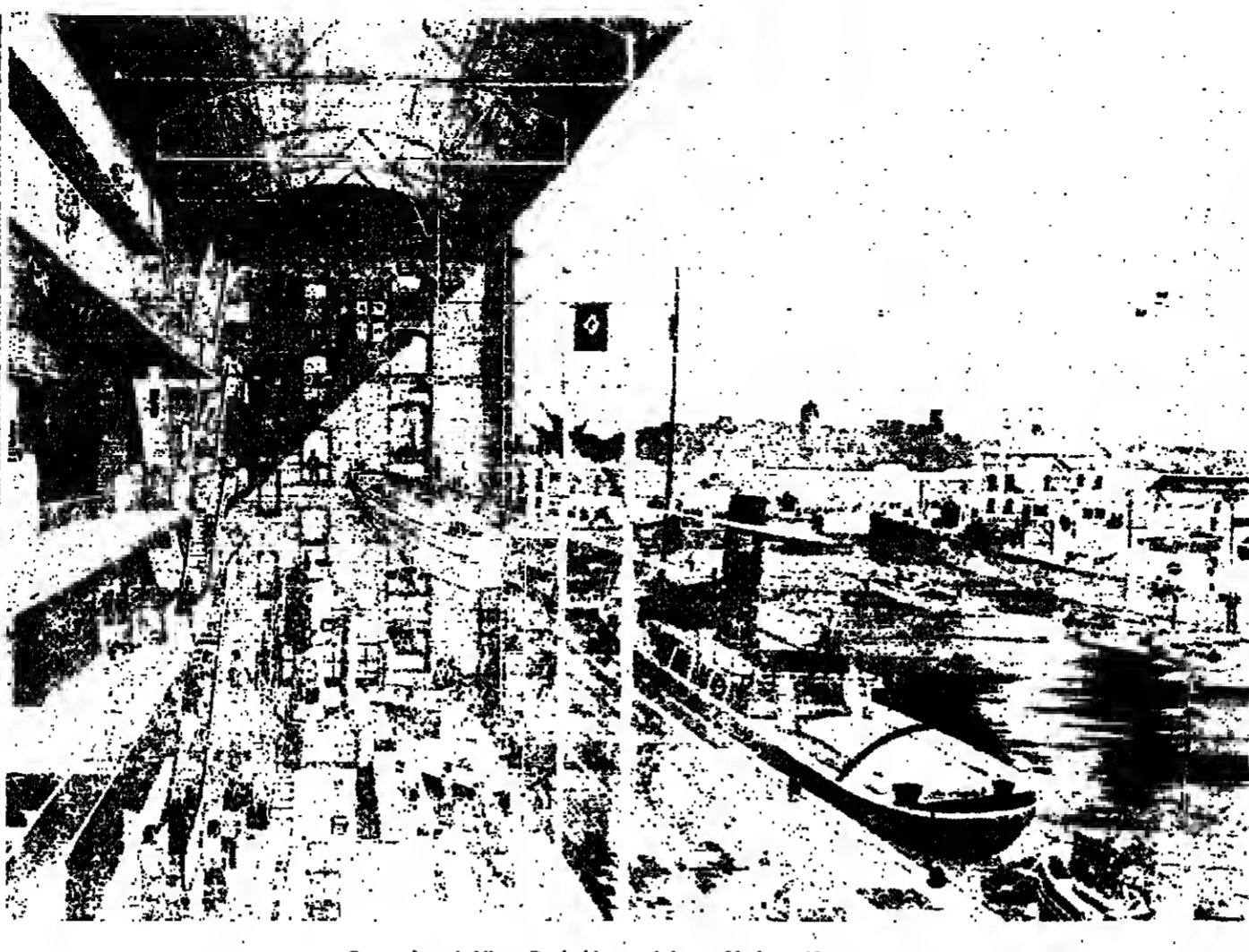
The libretto is still a bit of a stumbling block because of the sheer awfulness of the verse...

Boyce completed Solomon in March 1732. The following year it was published in full score...

Part 2 opens with a sinfonia in Boyce's sprightliest vein...

Glad as I was to hear Solomon, I wish I felt more certain that the performance had done it justice...

Despite the reservations, there is no doubt the performance was more than adequate to reveal the many beauties of Boyce's masterly score...



Conversion of Albert Dock, Liverpool, into a Maritime Museum

Architecture

Overlooked at the Academy

by COLIN AMERY

The Royal Academy Summer Exhibition is one of the few places where current British architecture is regularly displayed...

designed a handsome Hall of Justice for the Government—a simple modular building that is classical in its restraint and dignity...

simple modern designs to the Jordanian climate, while being more adventurous than the same architect's competition submission for the University of Bristol Arts Faculty...

Worley and Saunders) is not such a remarkable building that it cannot benefit from some civilised improvement...

Elizabeth Hall

Cherkassky

Quirky or sublime, weird or whimsical, maddening, disturbing or deeply penetrating—and as often as not all of these at once: a Cherkassky recital is not to be missed...

to the second movement, implacable and stubborn in its clarity, the third, where once again the main dramatic weight naturally lay—and whose vocal framework was never more clearly a sequence of scenes for soprano and bass solo...

His programme was the time-honoured Cherkassian mix of the familiar and unfamiliar...

Festival Hall

Royal Philharmonic

From the opening bars of Szymanowski's Second Symphony on Sunday night, it was clear that the RPO and their guest conductor, Witold Rowicki had established a close rapport...

ups which were tamely rendered here—but they had a proper refined ambiguity and the Finale was excitingly drawn together...

That said, the Symphony was rewarding to hear even variations were perhaps under-volante...

DAVID MURRAY

Fischer Fine Art: Lisson Gallery

Leon Kossoff/Don Judd

by WILLIAM PACKER

Oil paint is tricky stuff, at once messy and even repellent, and yet incorrigibly seductive. It demands that the senses adjust to it, and accept its terms...

between the fact of the painting, the actual matter and surface, which is more than enough for so many painters today, and the intention—which is to hold that surface in a precarious equilibrium with the image it carries...



"Father resting in armchair" by Leon Kossoff

Such natural, inbuilt advantage creates many problems, which the serious artist may face, or ride, or evade...

Across London, at the Lisson Gallery (until June 1) we swing to the opposite extreme with the work of Don Judd, who is with only superficial accuracy characterised as the High Priest of Minimalism...

about our own physical displacement. Judd is minimalist, without question, but there is a great deal going on in his work...

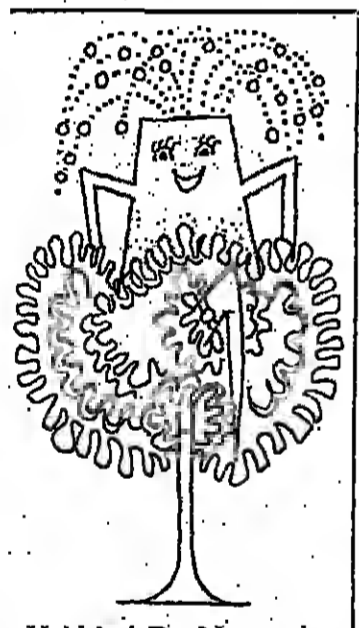
For instant accommodation over 600sq feet, you can forget Portable Cabins.

Terrapin unit buildings... the high speed, low cost answer.

Rising costs and the requirement for quick decision making has led to portable cabins becoming a common answer to instant accommodation needs...



To Marketing Department, Terrapin International Limited, Bond Avenue, Bletchley, Milton Keynes MK1 1JJ. Please send me details of Terrapin Unit Buildings...



Heidsieck Dry Monopole The Champagne with all the sparkle and fragrance of France.

Shipped by Bouchard Aîné

For instant accommodation up to 600sq. feet, you can't beat Terrapin Portable Cabins.

Up to £700 less than their competitors.

Office? Canteen? Medical room? Work-room? For that immediate space—think Terrapin cabins.

Terrapin Portable Cabins. To Marketing Department, Terrapin International Limited, Bond Avenue, Bletchley, Milton Keynes MK1 1JJ. Please send me details of Terrapin Unit Buildings...

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF

Telegrams: Finantime, London FSA. Telex: 865341/2, 333897

Telephone: 01-243 8000

Tuesday May 22 1979

Industry and politics

FOR AN organisation whose activities have a rather marginal impact on the British economy, the National Enterprise Board is capable of arousing a remarkable amount of passion, or at least the show of passion, among politicians.

Intervention If it were possible for politicians to look at the NEB in a non-political way, they would consider its functions first as a managing agency for certain companies which came involuntarily into the Government's hands, and second, as a state-funded entrepreneur in certain industries deemed to be important for the national economy.

Technology The entrepreneurial role is much less easy to defend. The NEB is proud of its investment in Immos, which it believes will make a valuable contribution to Britain's semi-conductor and microprocessor capacity.

A step forward on Cyprus

TBE CYPRUS dispute has recently appeared to consist mainly of the hot-ashes and jetsam of diplomatic disputes between the two communities. This is a major change from the different periods when the firing of a shot on one of the island's fields would instantly reverberate between Washington and Moscow.

Refugees It sees the Turkish Cypriots agreeing that the various UN resolutions on Cyprus—in some of which they were in a minority of one—should be borne in mind.

Reminder The ten points agreed in a disused airport on Cyprus have thus served as a reminder of the international ramifications that the island has had for the past two decades.

None the less there are several reasons why the agreement has been welcomed by

BEFORE A BATTERY of television cameras the president of the world's largest oil company, Exxon, stood up last Friday to announce a major technological breakthrough which, he said, could save the U.S. alone 1m barrels of oil a day by the 1990s.

The scene with its bustling camera crews and personalities from the television news divisions had some of the trappings of a Hollywood premiere. The focus of attention however was not on the neckline of a new starlet.

New technology, no matter how promising, rarely makes the nightly news even in the U.S., and highly paid television newscasters who probably would find it hard to explain the difference between a volt and an amp were unlikely to be turned on by Exxon's news about alternating current synthesis (ACS).

Commitment Of course the Tories have a strong political commitment to reducing the size of the public sector and it was the political differences between the two Parties which were most evident in the House of Commons yesterday.

Commitment Of course the Tories have a strong political commitment to reducing the size of the public sector and it was the political differences between the two Parties which were most evident in the House of Commons yesterday.

candidate, warned last week that the oil industry "might be headed for break-up or even nationalisation."

The complaint that by making major acquisitions the oil companies are diverting profits from the search for cheaper energy became a clarion call for the critics of the industry as they watched Mobil take over a leading chain store group, Montgomery Ward, for example, or Atlantic Richfield acquire the second largest U.S. copper company.

But Exxon's point, and it is one which will not be easily refuted, is that its plans to acquire Reliance are not dictated by the search for corporate survival when the oil runs out, nor by a desire to be involved in a business politically less hazardous than oil.

The company's behaviour

It has long been argued that all of the major U.S. oil companies, Exxon, as by far the largest and most powerful, would somehow be prevented by Washington from following the wellworn diversification path being trodden, through acquisitions, by some of its rivals.

While it has interests in coal, uranium and chemicals, its businesses have been built up from the ground, out through acquisitions, a method which the anti-trust agencies do not object to. In addition to what might be termed conventional oil industry diversification, Exxon has also selected its own path into the future.

EXXON'S DIVERSIFICATION IN 1978

Table with 3 columns: Activity, Earnings, Average capital employed. Rows include Petroleum and natural gas, Coal Nuclear, Total energy, OTHER OPERATIONS, Total non-energy, Total operations.

MEN AND MATTERS

Taking a risk with Aristotle

Standards must be maintained, particularly the standards of literacy in business. So one must applaud Frank B. Hall, one of the largest U.S. insurance brokers, for trying so hard to raise the tone in its latest report and accounts.

The document is peppered with quotations from Aristotle, Sir Winston Churchill, Henry Miller, Emerson and Disraeli.

In case there is any doubt about the last point the chairman, Albert Tahmoussi, is pictured surrounded by children of many nations.

Desk round-up

The contents of a vast store room at Makerere University, Kampala, are now being sorted out by the students.

Blocking the view

The sands ran out yesterday for the international business magazine Vision, founded in 1970. So I telephoned Paris to

ask Leon Bobrinsky, managing director of the Societe d'Edition Vision, what had gone wrong. The whole Somalia thing," he said without hesitation.

Frank talking

Moss Evans, general secretary of the Transport and General Workers Union, was sitting among senior managers yesterday at a lunch-time conference of the Industrial Society.

Ducking out

The Thames may be much cleaner than it used to be, it may even contain the odd salmon. But it is still not quite the river in which most people would prefer to be immersed.

Free speech

Brazil-watchers have been watching keenly for a sign that President Joao Figueiredo—installed in March—will take any steps to liberalise the regime.

Exxon's new tactics for diversification

BY STEWART FLEMING in New York



An Exxon venture into electronics: the Vydec word processing system.

24 of its annual report, just before the section on charitable and social works, there is a discussion of its Exxon Enterprises division which had average capital employed of only \$355m last year, as against \$27m for the company as a whole.

For over a decade Exxon Enterprises has been looking for new businesses for its parent company to invest in. One of the ways chosen has been to back new ideas and the men who invent them, a process generally called venture capital financing.

Several of its projects have failed as is in the nature of this business. One of the biggest flops was American Cryogenics, a company which had a process for making industrial gases which Exxon acquired for \$37m in 1967, only to sell it off subsequently.

In the last few years, however, Exxon seems to have hit upon advanced electronics, a field which has tremendous growth potential for the future, but which is still in its infancy and in which innovation is crucial.

Exxon already is in the business of selling word processors through its Vydec subsidiary, electronic typewriters through its VTX division and facsimile transmission devices through QWIP subsidiary. Its ambitions are promising to take it into direct competition to some areas with giants such as IBM International Business Machines, and perhaps into telecommunications.

Exxon's claims for its new technological developments are impressive. It said that its alternating current synthesis process applied to half the electric motors operating in U.S. industry alone, by the early 1990s it would save the equivalent of 1m barrels of oil a day.

The most immediate application would be in industrial motors of 1-200 horsepower. But ACS could also give energy savings in heating, ventilation and air conditioning, and perhaps, as a further stride in the development of the electric car.

Exxon has installed and successfully operated demonstration devices at two of its own refineries.

(David Fishlock writes: Exxon, for all its intellectual

muscle in research, is still being coy about details of its electricity saving technology. Its basic claim seems to be for a method of controlling electric motors which exercises restraint over the electricity consumed rather than over the mechanical energy put out.

(The workhorse of the family of electric motors is the induction motor—simple, robust and pretty efficient. In the bigger sizes, say 10,000 hp, its efficiency can be as high as 92 per cent. Its weaknesses are that its speed is fixed by the frequency of the ac electricity supply, and its tagging power factor, which causes problems for the electricity supplier.)

(Electric motor manufacturers have sought to remedy these weaknesses with what they call power conditioning equipment. Technically it can be done readily, but with fairly bulky and costly equipment in exchange for marginal improvements in motor efficiency.)

(Exxon's claim is that, with solid-state electronics—"chips"—it can now control the electrical input to induction motors, regulating both voltage (thus power output) and frequency (and thus speed).

(The anomaly is that its chosen partner, Reliance, tends to make the smaller sizes of industrial electric motor, which do not represent a big slice of the market in terms of the electricity consumed. As for the suggestion that it is looking to the electric car, the basic problem here is still storage of enough electricity to give adequate speed and range. Marginal gains in motor efficiency cannot bridge the big gap to storage capacity at present.

(Until Exxon is more forthcoming about its claims for a "breakthrough" in electricity saving, the suspicion must

remain that the oil company may be trying to blind the politicians with science in order to win public approval for a merger with Reliance (it wants on quite different grounds.)

Unlike the policy it has pursued with its other developments in the electronic field, Exxon has decided that "the only way to achieve the rapid introduction of this technology and resulting energy savings was to acquire an established firm in the electrical equipment industry which had capable engineering manufacturing and sales organisations with established track records in the field of electric motors and related controls."

Exxon's decision to seek a merger with Reliance has already caught the eye of the anti-trust authorities in Washington. They have discussed the proposal with the company and said they will investigate it.

One line of attack, if the anti-trust regulators want to oppose the deal, would be to argue that Exxon is a potential entrant into the electronic engineering business on its own, and that by purchasing a major corporation in the industry it will be reducing competition.

No doubt Exxon will argue that the public benefits from the rapid introduction of its innovative technology. There can be no doubt however that it would add to Exxon's already formidable corporate power—and it is corporate power as such that is under attack from liberal politicians in Congress.

Assuming that the technological achievement and the claims the company is making on its behalf stand up to closer scrutiny, the proposal is outside the scope of the slogans which have so far been cried against all company diversification.

Certainly Reliance looks like an attractive property. It is a company with an impressive profits record since 1972. Its



"I know it's a charity, but it never feels like one!"

When you are getting on in years and find that you can no longer cope, it is good to know that the Distressed Gentlefolk's Aid Association runs 13 rather special Residential and Nursing Homes for people like you.

They are special because the DGAA understand the problems of the elderly—and, in particular, of the elderly who have known "better days". People are always given a place in a Home where they will "fit-in", where the others are the same sort of person with much the same sort of problems.

This is vital work. It is work that must be done with sympathy, with understanding and with experience. It is work to which we have been dedicated since 1897.

The DGAA needs your donation urgently. And please, do remember the DGAA when making out your Will.

DISTRESSED GENTLEFOLK'S AID ASSOCIATION

Vicarage Gate House, Vicarage Gate, Kensington, London W8 4AQ

"Help them grow old with dignity"

Observer

Handwritten signature and date: J.P. 22.5.79



USSR NATIONAL EXHIBITION In London EARLS COURT MAY 23 - JUNE 10

Soviet-British trade has mutual advantage

BY E. MANAKHOV

TRADE REPRESENTATIVE OF THE USSR IN GREAT BRITAIN

SINCE THE Summit talks in February 1978 there have been fundamental changes of a positive character in Soviet-British trade and economic relations.

A number of documents and agreements were signed at the time, in particular, the long-term programme for the promotion of economic and industrial co-operation, the agreement on the provision of credits amounting to £950m for the purchase of British equipment, and a number of other documents relating to the development of co-operation in science and technology, and these have acted as a stimulus to Soviet-British trade and economic relations, resulting in an increase in mutual trade.

The regular reviews of the implementation of the long-term programme which take place at sessions of the Standing Intergovernmental Soviet-British Commission for scientific, technical trade and economic co-operation (the Joint Commission) have been instrumental in extending the list of items contained in the appendices to the long-term programme and resolving problems hindering the development of Soviet-British trade.

At the 7th session of the Joint Commission, held in London in May last year, increased activity in the development of trade since the Summit meeting was reported, and also in economic and industrial co-operation. This had been facilitated by increased contacts between organisations and firms of both countries and the considerable work put in by both sides.

Between 1974 and 1978 Soviet-British trade rose by 70 per cent with a 20 per cent increase in Soviet exports to the British market and 230 per cent rise in British exports to the Soviet Union.

In 1978 the volume of Soviet-British trade reached an all-time high of about £1,030 million.

An outstanding feature of Soviet-British trade last year was a substantial increase in British exports to the USSR. The main reason was a significant increase in the purchase by the Soviet Union of a variety of machinery and equipment and of primary products and semi-manufactured goods. The plant and equipment was mainly imported under contracts signed in 1976/77 which were worth a total of over £400 million and covered, among other things, the purchase of gas-compressor units, a second plant for the manufacture of low-pressure polyethylene, and equipment for rubber-mixer production lines at tyre factories. Later this year equipment will be delivered for two methanol plants.

This is how the compensation deals signed in 1977, which are unprecedented in the history of Soviet-British relations, will be implemented.

A number of fairly large contracts have been signed with British firms in 1978-1979, including an agreement with CAMCO for the delivery of underground drilling equipment for the Samotir and Fyodorovo oil fields, a contract with Woodall Duckham for the delivery of plant for a fibre-glass works in Polesk.

The latter contract is a compensation deal repayable with finished products once the works is in production.

Contracts concluded in recent years have led to some progress in implementing the 1975 Soviet-British credit agreement: more than fifty per cent of the total credits have been utilised. We feel that further progress will largely depend on whether British firms are prepared to make use of its advantages, whether their market activity increases and their offers become more competitive.

If they do, it would greatly facilitate the success of the current talks on important co-operation projects, including supplies of plant and equipment for the Soviet chemical, oil-refining and petrochemical industries, equipment for light industry and the food industry, and ferrous-and-ferrous alloy and metal-working equipment.

But we have to admit that the British side has shown no activity in this regard so far. True, there have been negotiations and contracts, in particular with the National Coal Board, the British Steel Corporation and representatives of the motor industry and some other spheres of industry, but no tangible progress has been made. The representatives of those bodies show no eagerness to engage in specific negotiations, pleading financial and economic difficulties.

The expansion and deepening of industrial co-operation between the USSR and Great Britain would undoubtedly promote the growth of engineering product exchanges. Certain steps have recently been taken in this direction. The most interesting example is the Protocol of Intent signed in autumn 1977 between the USSR Ministry of Foreign Trade and the British engineering firm Clark Chapman (now Northern Engineering), which envisages co-operation in the production of mining, power, boiler and other equipment.

Insufficient

Nevertheless, on the whole, the scale and, more importantly, the depth of industrial co-operation are still insufficient, and it is essential for both sides to make additional efforts to ensure that priority is given to the development of the more advanced forms of co-operation. This would mean that goods produced on the basis of co-operation would be more competitive and increase marketing possibilities, in third countries, too.

Clearly the potentialities set out in the long-term programme are still by no means exhausted and will serve as guidelines for years ahead. Furthermore, the programme itself indicates that in the course of its implementation there can and will arise, as experience has shown, new spheres and objects of co-operation, and new forms in which it can be realised.

The successful development of mutual trade is greatly facilitated by the regular exchange of trade delegations and also delegations of industrial experts, the holding of joint workshops and conferences on trade and economic matters and the staging of exhibitions. Since 1975 negotiations such contacts between Soviet and British specialists and businessmen have been appreciably strengthened and their numbers increased.

We welcome this development, which testifies to a growth of interest on the part of British business circles in expanding mutually profitable trade with the Soviet Union. The interest shown by British firms in the future supply of certain types of industrial primary products and semi-manufactures, goods, and in reliable sources of supply is also of significance.

However, our trade cannot be a one-way traffic. British firms should show more interest in Soviet engineering products, must be better informed about Soviet industrial capabilities, and realise the expediency and profitability of increasing purchases of plant and licences from the Soviet Union.

We feel that there are now good opportunities for the further expansion and deepening of mutually profitable trade and economic relations between our two countries. The Soviet Union is carrying out an extensive programme for the development of its productive forces, the construction of new facilities, and the expansion and retooling of functioning ones, which opens up favourable prospects for British firms in the provision of modern equipment, technology and know-how, obviously as long as their offers and proposals are competitive.

Of use

In British industry there are also plans to develop and modernise a number of branches, including the steel and coal industries, power engineering, railway transport, oil refining, the petrochemical industry and others. Here the products and experience of Soviet industry could be of use.

For the development of co-operation

BY BORIS BORISOV

CHAIRMAN OF THE USSR PRESIDUM OF THE CHAMBER OF COMMERCE AND INDUSTRY

DEVELOPMENT of commercial, economic, scientific and technical ties between states should bring tangible benefits to every party. This statement is not prompted by any time-serving considerations but stems from the long-term policy of the Soviet state.

In the Soviet Union the development and promotion of commercial, economic, scientific and technical ties with other countries are aided by the USSR Chamber of Commerce and Industry (CCI), a public organisation uniting foreign trade organisations, leading industrial enterprises, research institutions and other establishments.

The Chamber yearly carries out an extensive programme of establishing, maintaining and developing relations with business circles in other countries, with their chambers of commerce and similar organisations. These relations are built on a contractual basis.

In the past few years the number of Western business representatives intent on establishing economic contacts with Soviet organisations has increased appreciably. On the invitation of the CCI some about 16,000 businessmen arrive in the Soviet Union each year.

Ten British delegations visited the Soviet Union last year, furthering the implementation of the Agreement on Trade and Economic Co-operation between the USSR and Great Britain, and helping develop long-term programmes for the development of economic and industrial co-operation, as well as the programme of co-operation in science and technology for the decade ahead.

Five of the delegations were sent by the British-Soviet Chamber of Commerce, the rest by regional chambers of commerce and other non-governmental economic organisations jointly with the British Board of Trade.

Each delegation comprised from 15 to 30 representatives of British firms.

In accordance with their statutes, business conferences

with representatives of Soviet foreign trade organisations, Ministries, departments, research institutions, and industrial enterprises were held for them.

Between 50 and 100 meetings were arranged for each delegation.

In characterising the effectiveness of these trips one may cite data furnished by the Leicester Chamber of Commerce and Industry which regularly sends its delegations to the USSR.

Useful work

In 1976 they concluded contracts involving a total of £7.1 million and continued negotiations for concluding deals for another £3 million.

Last September the CCI received another delegation from Leicester. According to the members of the delegation the visit was a success. In 1979 the CCI expects the arrival of eleven British business delegations in the USSR.

A lot of useful work in the development of Soviet-British economic co-operation has been done by the British-Soviet Chamber of Commerce, an organisation highly respected in the Soviet Union.

It regularly publishes bulletins, informing its members (including Soviet organisations) of the possibilities of British-Soviet trade.

The British-Soviet Chamber of Commerce organises trips to the USSR of delegations representing the British business circles, promotes the participation of British firms in exhibitions and trade fairs held in the Soviet Union, and conducts many other useful affairs. All these contacts certainly promote economic co-operation between the USSR and Great Britain.

The Soviet Union extensively draws upon the Western markets to purchase various industrial equipment, a number of primary goods, synthetic fibre and yarns, chemical goods and consumer durables. Since 1975 contracts have been concluded with British firms for the delivery of plant to

the USSR to the value of almost 600 million roubles.

International and foreign exhibits are staged to acquaint potential Soviet buyers with products from the west.

They are mounted by V/O EXPOCENTRE which is part of the USSR Chamber of Commerce and Industry. Each year V/O EXPOCENTRE stages and promotes over 200 international and foreign exhibits in various cities in the USSR.

These exhibits involve up to 5,000 firms, displaying their products. Business deals concluded last year were valued at about 1,600 million roubles. Austrian, Belgian, Danish, Italian, Canadian, American, Finnish, French, West German, Swiss, Swedish and Japanese firms extensively featured their products.

Carries out

In recent years 120 British firms have taken part in various exhibitions in the Soviet Union.

It should be noted that West German, French, Finnish, American and Japanese firms participate in the exhibitions and trade fairs held in the Soviet Union, more actively than British firms. To a certain extent this tells on the level of commercial, economic, scientific and technical co-operation between the USSR and Great Britain.

The CCI organises in other countries, including the Western ones, Soviet trade fairs and industrial shows and exhibitions and carries out all the necessary arrangements assuring the participation of Soviet organisations in international trade fairs and exhibits held in other countries.

This helps familiarise the business circles of other countries with the export capabilities of the Soviet Union, demonstrates the possibilities of trade and economic, scientific, technical and industrial co-operation between the USSR and other countries and shows the public at large the life of the Soviet people.

The national exhibition of the Soviet Union in Great Britain is

a central event of the exhibition programme to be undertaken by the CCI abroad this year.

The exhibit will be held in Earl's Court. Its motto "Peace and Progress Through Co-operation" expresses the striving of the Soviet people for peace and development of mutually advantageous economic co-operation with other countries.

Will feature

The USSR Academy of Sciences, two Union Republics, the Byelorussian and Georgian, more than 40 various Ministries, departments and foreign trade organisations will take part in the Soviet exposition.

One of the principal departments of the exhibition will be devoted to the labour of the Soviet people and will feature the achievements made to date and prospects of economic development, and also the country's export capabilities.

Concrete examples will illustrate the activities of Soviet scientists and specialists. The displays present sample products of Soviet industry likely to be of interest to British businessmen.

The exhibition reflects historical ties between Russia and Great Britain. On display are the tools made by British artificers to drawings furnished by the Russian Czar Peter the First. They are usually on show in the State Hermitage Museum in Leningrad.

Among unique exhibits is the sword presented to Stalingrad by King George VI. Numerous exhibits illustrate Soviet-British relations at the present time.

Soviet films and slide pictures denoting Soviet life will be shown during the exhibition, artistic and dance groups will perform.

We regard the Soviet national exhibition in London as an expression of goodwill and the Soviet Union's sincere desire to promote co-operation with Great Britain and mutual understanding between the peoples of the two countries.

RAZNO

Razno and Company Limited of London is a subsidiary of V/O Raznoexport, Moscow, one of the largest and longest established Soviet Foreign Trading Organisations.

As general representatives for V/O Raznoexport, V/O Stroimaterialintorg, and V/O Novoexport, we import and export a diverse range of products, including:- Building Materials - cement, window glass, etc.

Clothing - including shoes and outdoor ranges.

Household goods - aluminium, enamels etc.

Table glassware.

Woodware.

Domestic electrical appliances - including Snowcap refrigerators.

Toys and giftware.

Musical instruments.

Plastic films and sheeting for industry, and Horticultural products including peat and peat products.

In addition, we are actively involved in trading with many other Soviet export and import organisations and will be pleased to give advice or initiate contacts to aid your trading between the U.S.S.R. and the U.K.

Razno and Company Limited of London,
107-113 Curtain Road, London EC2A 3BS
Telephone: 01-729 1143 Telex 25870.

7 reasons to treat our Moscow office as your own

Next time you have business in Moscow, your life could be made a lot easier if you use the facilities offered by the joint Moscow Representative Office of the Moscow Narodny Bank, the Bank of Scotland and Morgan Grenfell. Look how we can help:

- Advice on doing business in a different environment
- Russian/English speaking staff
- The opportunity to work away from your hotel room
- Central location
- Telephone, telex and typing facilities
- Financial information and advisory services
- Conference rooms

Moscow Narodny Bank Limited Bank of Scotland Morgan Grenfell & Co. Limited

Our representative in Moscow is Oleg Lapushkin, Suite 2, Kursovoi Pereulok 1/1, Moscow 119034, USSR. Telephone: 2031875. International Telex: 7021.

For further information, please contact: Moscow Narodny Bank, Bob Smith, 01-623 2500. Bank of Scotland, Archie Gibson, 01-638 6422. Morgan Grenfell, Stephen Syrett, 01-588 4545.

Promoting technical co-operation

BY D. GVISHIANI
DEPUTY CHAIRMAN OF THE USSR STATE COMMITTEE FOR SCIENCE AND TECHNOLOGY

INDUSTRIAL and economic co-operation is an increasingly important stabilising factor in international relations. It furthers detente, promotes the principles of peaceful co-existence and fosters an atmosphere of friendship and trust.

Peaceful coexistence between states with different social systems is a fundamental Soviet foreign policy principle. The Soviet Union has consistently pursued the course of promoting international scientific and technical co-operation.

In the recent period 60 inter-governmental agreements on scientific, technical and economic co-operation in diverse fields of science and technology have been signed with virtually all the advanced countries. Business relations between Soviet organisations and firms and institutions abroad, are based upon 270 agreements and protocols on scientific, technical, industrial and economic co-operation.

The USSR is active in multilateral co-operation as a member of most of the authoritative international organisations.

In recent years dependence of the progress of scientific, technical, commercial and economic co-operation upon favourable political conditions in interstate relations and its correlation with trade volumes have been particularly conspicuous. Our ties are developing fast but numerous possibilities for a further expansion of mutually advantageous co-operation are still not realised. Yet they could help our partners to utilise their industrial capacities more fully and create more jobs and secure guaranteed sources of such much-needed products as raw materials and semi-finished goods.

Certain quarters in the West mistakenly believe that in developing scientific and technical ties the Soviet Union pursues unilateral objectives, that

technology is, in the main, being transferred from the Western countries to the USSR. Such allegations are groundless. The immense scientific and technical potential built up in the years of Soviet power makes the Soviet Union an attractive and reliable partner.

In a number of cases its co-operation with its Western partners is based chiefly on research and development projects implemented by the Soviet side. For instance, a steelworks and a 65,000-ton hydraulic press is being constructed in France and a polycarbonate plant and the commercial production of terephthalic acid under Soviet licences is going ahead, jointly with the Montedison Corporation in Italy.

Between 1971 and 1977 we sold almost 500 licences to various firms in 36 countries, 141 of them in the period 1976 to 1977.

The USSR and Great Britain have long-standing and diversified ties, both in the field of scientific and technical co-operation and in trade.

Ten-year

Our scientific and technical relationships are governed by a number of inter-governmental agreements and contracts covering, among other things, co-operation in medicine and health care, and environmental protection, and also by interdepartmental agreements on exchanges in the fields of atomic energy, basic research, agriculture and fisheries. The ten-year programme for scientific and technical co-operation, signed in 1975, provided a foundation for our further efforts and set the guidelines for future co-operation.

The scope of the Soviet-British scientific and technical co-operative endeavour is large. Many interested organisations and firms are involved in co-

operation which ranges from the treatment of eye diseases, through nuclear research and the production of chemicals for plant protection to environmental protection and electronics, to name but a few.

The Permanent Soviet-British Intergovernmental Commission for Scientific, Technical, Trade and Economic Co-operation has been set up comprising 10 mixed working groups. Eighteen agreements have been signed with various firms and organisations in such spheres as chemistry and petrochemistry, radio-electronics and computing technology, nuclear power engineering, duplicating equipment, and light industry.

Development

The working groups are concerned with instrument-making for research purposes, machine-tool manufacture, power engineering, the coal industry and the medical industry. They have proved their worth in jointly resolving fairly urgent problems facing the industries of both countries. Emphasis is upon the achievement of concrete results and their utilisation.

Examples are the joint development projects conducted by the USSR Ministry of the Coal Industry and the National Coal Board with the aim of developing an automated tunnelling machine without parallel anywhere in the world; joint research efforts aimed to develop a technique for preparing anti-influenza virus vaccines, and efforts to manufacture new electrical measuring instruments and X-ray equipment.

Following a series of conferences and workshops conducted with the Marconi company a colour TV chamber channel has been purchased. Joint development work has started on a system for synchronising TV programmes for the Olympic Games, worth about 1 million roubles.

Scientific and technical contacts with Rolls Royce resulted in a big contract for the purchase of 42 gas-compressor coating about 100 million roubles.

Between 1959 and 1977 we purchased from Great Britain over 70 licences for various industries costing a total of 455 million roubles.

In March 1978 London was the venue of a "round-table" discussion and conference on the further development of commercial, economic, scientific and technical co-operation between the USSR and Great Britain. It considered ways of advancing our co-operation and especially new possibilities, and new forms of industrial co-operation such as compensation deals and information exchange.

I believe we have managed to stimulate British interest in embarking on a new stage in our relations. This would involve new forms of co-operation which we consider to be very promising. It would enable us to co-ordinate scientific, technical, industrial and trade interests. Our concern is to do this, at least partly, from Britain, shipping to seventh in the ranks of the USSR's foreign trade partners despite the traditional links.

Increasing the effectiveness of scientific and technical co-operation between our countries has been, and remains, an urgent and demanding task. It is made more difficult by certain political difficulties in the relations between our countries. There is still scepticism respecting the need to promote scientific and technical co-operation.

However, our two countries, with their high scientific and technical capabilities could develop various unique instruments and equipment, and devise new promising production processes. Nowadays such activities are essential with every country searching the world market for new technologies.

Quality exports from Mashpriborintorg

MASHPRIBORINTORG's export list contains products such as high accuracy measuring instruments particularly for the study of micro-objects and in testing various materials when climatic conditions are deliberately changed. Precision measuring bridges and potentiometers make measurement to within 0.005 per cent.

In 1979, with 30 years trading behind it, V/O MASHPRIBORINTORG increased the double value of its exports approximately 5.5 times over the period. The volume of annual deliveries of optical instruments went up approximately 7 times, of electric and radio measuring instruments 10 times and control and

measuring and adjusting instruments 12 times.

The number of trade partners almost tripled to reach about 630. The main ones are: the Council for Mutual Economic Assistance (CMEA) countries, France, Great Britain, West Germany, Italy, Greece, Belgium, Holland, Spain and the Scandinavian countries. A range of goods is exported to Latin America, Africa, the Arab countries, many Asian countries, Australia and New Zealand. During the 20 years of its existence MASHPRIBORINTORG exports to the capitalist and developing countries grew 10-fold.

V/O MASHPRIBORINTORG

successfully co-operates with over one hundred agency companies and yearly increases the volume of deliveries and the range of goods, and expands dealers and service networks.

In Britain Technical and Optical Equipment Ltd. is MASHPRIBORINTORG's agent company. It marked the tenth anniversary of Soviet radios and photographic equipment imports in 1977.

During this decade the turnover of the company has increased over 4.5 times. TOE sells exclusively through a dealers' network including small shops and large firms such as Greens Leisure Centres, with many outlets.

TOE gives excellent service. Goods sold are covered by a warranty.

Global Watches Ltd., a firm founded in 1966 and affiliated to the Time Products Company, is another British partner. Soviet made watches are sold through an extensive network of 3,500 stores and department stores. Prompt connection with the outlets is maintained by the dealers. A quarter of all watches are sold through 12 dealerships. Soviet watches have captured between 7 and 10 per cent of the market. The "Sekonda" trade name under which these watches are sold is widely known.



At work an export order.

Eyes of the world on Moscow Olympics

THE EYES of the world will be on Moscow next summer when the Olympic Games will be held in a socialist country for the first time.

The organisers are hoping to avoid the last minute problems that have plagued previous Olympics.

Most of the facilities are expected to be ready this summer for the Spartakiade (People's Games) in which sportsmen and women from all over the world are being invited to give them a chance of actually competing in conditions similar to those they will find on the most important day of their sporting career.

As the Olympics provide an opportunity for young people from throughout the world to get together, the Soviet Union sees them as a positive factor for international peace and friendship.

President Brezhnev last year stated that the Soviet people "will do everything they can to assure the high standards of the Olympics and to give a new impulse to the lofty ideas of peace and friendship."

Unfortunately not everyone subscribed to those views and we have already seen attempts to impose an Olympic boycott, because the Games were awarded to the Soviet Union. Fortunately these ideas were not well supported and the games will go ahead.

As Lord Killanin, President of the International Olympic Committee, said those who do not wish to participate should stay away—not only from Moscow but from all other Olympic competitions.

For its part, the Soviet Union is ready to welcome sportsmen from all countries, whose National Olympic Committees are recognised by the International Olympic Committee. Only countries, excluded from the Olympic movement, like South Africa and Rhodesia will be banned.

Demanding

Moscow is fortunate that it already had many very good sports facilities and where possible these are being used for the Olympics. For instance the Lenin Central Stadium, where the athletics events will be held, is being remodelled.

New seats are being put in and facilities built for radio and television commentators. Four floodlight towers are being erected so that there is perfect lighting for television coverage. But of course not all of Moscow's existing facilities were up to the very demanding standards that Olympic competitions require.

Therefore new facilities are also being built. The cycle track, for instance, is being built in the south-west of the city.

Like the other new sites, its location was decided after long and hard thought about where it would best be located, not only for the Olympics but for future generations of Muscovites.



Mishka, the 1980 Olympic symbol

facilities not just as places to stage the Olympic events but as venues for future generations of Muscovites to enjoy their sporting activities. Therefore, sites are picked with care bearing in mind the demands and needs of people in different parts of the city.

But it is not only Moscow which will be hosting the games. The yachting events will be held in Tallinn on the

Baltic Sea coast, while football qualifying matches will be held in Leningrad, Kiev and Minsk as well as in Moscow.

This means that not only sporting venues but hotels and service industries must be developed there as well. These too are meant not just for the Olympics but to serve the Soviet people in the future.

A great deal of work still needs to be done in preparing

for the Olympics but most projects are ahead of schedule despite the problems caused by a severe Russian winter. Most visitors to the Olympic sites have said they are pleased with the progress being made. As IOC President Lord Killanin commented the work is proceeding well and that Moscow offered great advantages compared to many other Olympic cities.

See us at the USSR National Exhibition Earls Court, May 23-June 10. Featuring TRAVEL IN THE USSR on Wednesday June 6.

GO USSR · GO INTOURIST!

The Big Country with the Big Holiday choice. A vast continent with a wealth of fascinating tours and fabulous sights all year round.

Intourist offers sun, sea and scenic holidays in the USSR with a unique service backed by 50 years of experience. Starting in the current season programmes—

YALTA a new experience in Sun & Sea Holidays. Yalta on the Black Sea is a unique resort situated on the beautiful Crimean Peninsula, a choice of holiday side trips to Moscow, Leningrad or Kiev, from only £175 inclusive.

The Famous MAGNOLIA CITY HOLIDAYS These fascinating all-in air tours, with visits to MOSCOW and LENINGRAD and Old Russian Cities, provide a wide choice of different itineraries covering the most interesting areas of the USSR. See the Caucasus, Soviet Central Asia, the Ukraine and many other fabulous places.

ALL HOLIDAYS ARE INCLUSIVE (Full Board and Excursions). No Fuel Surcharges. INTOURIST PRICES ARE GUARANTEED. Group Booking discounts. 50% reductions for children.

Call, write or phone for illustrated brochures
INTOURIST MOSCOW LTD. (Dept 00) 292 Regent Street London W1R 7PO.
Tel: 01-580 4974 (a member of ABTA) or ask your local travel agent.

INTOURIST - the International Tour
People for the USSR

V/O EXPORTLES

EXPORTERS OF WOOD PRODUCTS FROM THE SOVIET UNION

Please send all your enquiries to the following address:

V/O EXPORTLES

Smolenskaja-Sennaja, 32/34 — Moscow, 121200 U.S.S.R.

Cables: Exportles Moscow Telex: 7229

Compensation is basis for co-operation

BY V. MORDVINOV, HEAD OF DEPARTMENT, THE USSR STATE PLANNING COMMITTEE

SOVIET economic and trade relations with other countries, particularly in dealings with France, the German Federal Republic, Japan, Finland and the U.S., a new stage has been emerging over the past few years. An increasing trend towards long-term co-operation. This kind of co-operation builds up mutual trust and the economic prerequisites for the favourable development of the entire system of relationship between the countries concerned. It also makes for a general improvement in the international political climate. The large scale and long-term character of co-operation of this type facilitates production planning and marketing forecasting for a number of years ahead. Furthermore, in the course of work on large, in many cases, unique projects, the parties inevitably have to collaborate on engineering problems, and enrich each other with ideas and solutions. The commercial and political basis for Soviet co-operation of this type with Western countries consists of long-term programmes for developing trade, production, scientific and technical links between Soviet economic organisations and

Western companies. Under such arrangements, for instance, industrial projects when complete have built-in highly advanced technology, owing to the importation of plant and the purchase of licences for production processes. In some cases the services of foreign companies are employed at the design stage, as in the construction of the Volga Car Works at Togliatti. The joint development of the latest production processes or plant, with subsequent patenting and licensing on the markets of third countries is of considerable interest as a pattern for co-operation.

Large-scale

One example is the joint development and patenting by Soviet and French institutes of a new technology for isoprene production. Experience has shown that development of large-scale industrial projects on a compensation basis is in the interest of both parties when countries with different social systems are involved. Leonid Brezhnev, General Secretary of the CPSU Central Committee, has pointed

out that co-operation on a compensation basis is a new pattern for external economic relations which goes beyond the bounds of conventional trade and has increased potential and usually far greater effect. Under compensation agreements the cost of plant under construction, and services incorporated in it, is fully repaid in the form of subsequent deliveries of the plant's products. In this case the two-way traffic amounts to tens, hundreds, or even thousands of millions of roubles.

In some cases, depending on the initial terms agreed, the cost of plant and services may be covered by supplies of a variety of goods, deliveries of products of the plant built under the compensation agreement may continue after capital costs have been paid. More than 60 large industrial projects are now under construction in the USSR under compensation agreements. Quantitatively, the chemical and petrochemical industries are definitely in the lead. However, big agreements have also been concluded in ferrous and non-ferrous metallurgy, in timber, pulp-and-paper, gas, petroleum

production and several other industries.

In fuel production, the first compensation agreement for the supply of natural gas to Austria, and on deliveries from Austria to the USSR of steel pipes, equipment and materials for gas fields and for the construction of a gas pipeline in the USSR was signed back in 1968. Similar agreements were subsequently concluded with companies and organisations in Italy, France and the German Federal Republic.

Today over 90 per cent of the natural gas supplied by the USSR to West European countries is exported under compensation agreements signed between 1968 and 1974. Each agreement provides for a ten-year supply of gas following the granting of credits for the purchase of machinery, plant and materials, in particular large-diameter pipes, for the Soviet gas industry.

Coal-mining

An example in the coal industry is a project for the development of coalfields in South Yakutia. This is being carried out in accordance with the General Agreement signed in Moscow in June 1974 which provides for deliveries of South Yakutian coal to Japan and Japanese machinery, materials and other goods to the USSR.

This project envisages the construction of facilities for coking coal production from coal mined in the Nerungin Field of the South Yakutian coal basin and the construction of a railway line from the Baikai-Aour Main Line (BAM) to Tynda and Berkakit which would link the coal-mining region with BAM and the Trans-Siberian railway. Credits granted to a group of Japanese banks will be repaid by deliveries of 5.5 million tonnes of coal per annum to Japan from 1983 to 1993 and will be used to purchase plant, machinery and spare parts. Another example is the programme for prospecting and developing marine oil and gas fields off Sakhalin Island. The appropriate General Agreement envisages diverse work involved in prospecting and developing potential oil and gas sources, and then supplying petroleum and gas to Japan on a commercial basis to repay the credits granted by the Japanese party to the agreement.

The foreign participants of the compensation deals receive big orders for preparing the designs of plants, for engineering work on the production of machinery, plant and materials which means extra work for their production facilities and labour force. Banks in capitalist countries that grant credits for large-scale, long-term projects, receive profits in the form of interest. And finally, the countries co-operating with the USSR get long-term guaranteed source of valuable raw materials, semi-finished products and manufactured goods. The very fact that business circles in the West are willing to participate in such co-operation proves that it is commercially attractive.

Development

A General Agreement on co-operation with Japanese and US companies and with financial banks has enabled very promising work to be done with geological surveys of the Yakutian Gas deposits to go ahead. Since 1968 Soviet foreign trade organisations and a group of Japanese companies have been co-operating on a compensation basis on the development of timber resources in the Soviet Far East. French and Swedish companies are participating in the construction of the Ust-lim timber and wood-working industrial complex, which is being developed, in the main, also on a compensation basis, by CMEA member-states.

The Italian companies Montecatini-Edison, ENI, Snia Viscosa, Flindler and De Agostini have shown a realistic approach to carrying out large projects in the USSR.

Full sets of plant and machinery for twelve chemical factories for producing carbamide, nitrile-acrylic acid, caprolactam, polypropylene, dispersion dyes and other products are supplied to the USSR by Italy under compensation agreements. Experience has also shown that the compensation deals make better use of the technological and production capacities of both countries. Interested organisations and companies of the USSR and Italy are at present discussing the possibility of such co-operation in a number of other projects.

An example

Worldwide interest has been aroused by the announcement of an agreement with West German companies for the construction of a huge metallurgical works using direct iron reduction technology at the Kursk iron ore deposit. Planned throughput is 5 million tonnes of metallised pellets and 2.5 million tonnes of rolled stock per annum. Mr. E. Mommensen, chairman of the Krupp group, has stated that the project could serve as an example to be followed by co-operation in other spheres.

Among other large-scale projects under construction in the USSR with western participation are the construction of the Kostomuksha group of mining and ore-concentration works, the expansion of the Norilsk mining and metallurgical complex and a score of other schemes.

Until recently, British companies, unlike their counterparts from other Western countries, displayed no particular interest in compensation agreements put forward for their consideration. But the situation has been changing. Agreements have been concluded with British firms envisaging co-operation in the construction of plants for the production of low-pressure polythene and methanol. Other talks are in progress, and there are fair prospects for putting through other large

mutually advantageous deals, particularly in the chemical and petrochemical industries. It is, of course, British companies put forward competitive proposals.

The Coborrow consortium is now working on a big order for deliveries of gas-pumping units for the Urengoi-Chelyabinsk gas pipeline. Once the construction of the Baikai-Amur Railway is completed, the Soviet Union is planning to resume consideration of a project for the construction of the Ukokan mining and metallurgical complex, a scheme in which Rio-Tinto-Zinc has displayed considerable interest.

Advantage

Recently, in Great Britain and elsewhere, there has been mounting campaign to undermine compensation-type co-operation between Western firms and Soviet organisations. The campaign revolves around the idea that such co-operation is beneficial only to the Soviet Union and involves the risk of the markets of the West European countries being flooded with cheap products from factories built in the USSR with Western technology, and it will lead to redundancy problems in those West European countries, etc. The press reminds readers every now and again of the Soviet Union's growing debts and the alleged effect on the development of economic and trade relations.

The artificiality of this campaign is quite obvious. A most important feature of co-operation on a compensation basis is mutual profitability and advantage and the fact that it is at least as effective for our partners — banks, companies and other agencies — as it is for us.

The foreign participants of the compensation deals receive big orders for preparing the designs of plants, for engineering work on the production of machinery, plant and materials which means extra work for their production facilities and labour force. Banks in capitalist countries that grant credits for large-scale, long-term projects, receive profits in the form of interest. And finally, the countries co-operating with the USSR get long-term guaranteed source of valuable raw materials, semi-finished products and manufactured goods. The very fact that business circles in the West are willing to participate in such co-operation proves that it is commercially attractive.

Extensive

However, the full potentialities of compensation agreements have not yet been exploited. So far they have been mainly concerned in industries producing raw materials and semi-finished products, and also the power industry. In our view there are equally promising prospects in the engineering and manufacturing industries.

The Soviet Union is interested in long-term co-operation on smaller projects in which case financing problems are more easily solved and more often than not no credits are required at all. One example is the agreement with Dunby-Cannbox Marx Ltd. of Great Britain to supply the USSR with toy-manufacturing equipment — and for long-term deliveries of manufactured toys in the same company in full repayment. The period involved is comparatively short so no credits are required.

There appear to be good prospects for the development of industrial collaboration or partnership, an area in which British companies may find there is extensive scope.

Multilateral

September, 1977 saw the signing of the first report on industrial collaboration between a number of Soviet foreign trade organisations and a group of British companies. The high level of the Soviet industries concerned and their engineering potential give good grounds for hope of success in this sphere.

In many cases co-operation with Soviet organisations is in fact a multilateral venture: quite often companies and agencies from several Western countries participate in a project and on occasions are joined by organisations from CMEA countries. Contracts signed with CJB Ltd. from Britain for deliveries of plant for factories for the production of low-pressure polythene provide an example. We believe the prerequisites exist for broad three-cornered trade and economic co-operation between organisations and companies of the USSR, the USA and Great Britain.

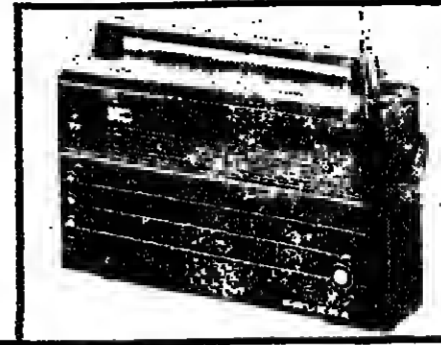
All patterns of co-operation, including the new ones, should of course develop on a reciprocal and mutually economically beneficial basis, and contribute to national programmes of economic advance.

The capacity and stability of the Soviet market, the security of investment in this market and the extensive possibilities of co-operation with Soviet foreign trade organisations in the construction of large industrial complexes both in the USSR and in third countries are major factors ensuring profitable international economic co-operation on a long-term basis.

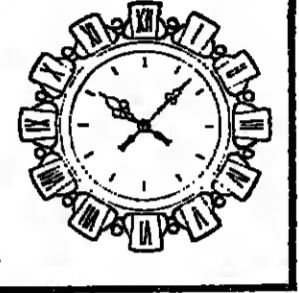
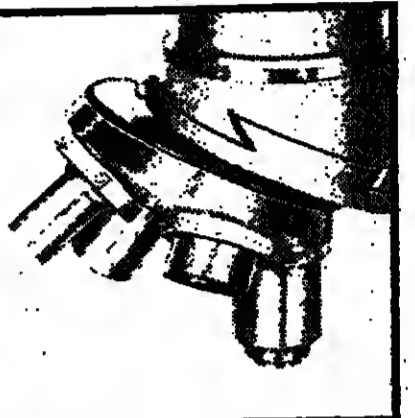
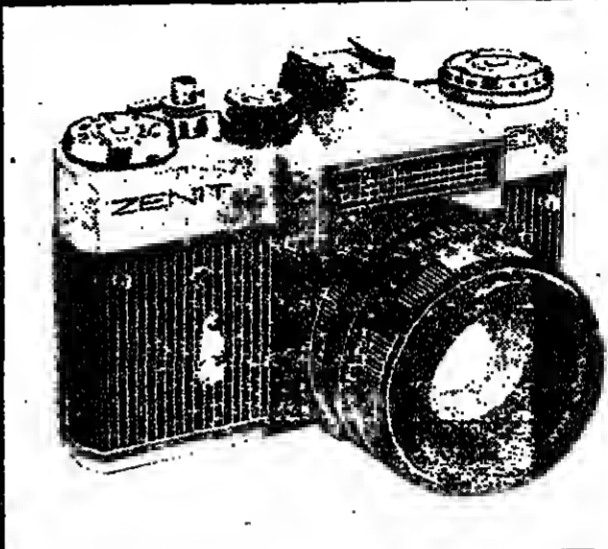


MashPriborIntorg

optical and electronic equipment



USSR National Exhibition, Earls Court, 23 May-10 June



the best technology — the finest value

Technical & Optical Equipment (London) Ltd. are exclusive importers and distributors of a wide range of cameras, radios, TV sets, clocks and microscopes exported by MashPriborIntorg from the USSR.

The famous Zenith range of cameras has won universal recognition for technical

performance, versatility and reliability. Vega portable radios and TV sets are well known for their quality, value and excellent performance. Stylish Vega clocks are now being introduced in the UK. Binoculars and telescopes are among other items of precision optical equipment imported.



These products are imported, Distributed and Guaranteed by Technical & Optical Equipment (London) Ltd., Zenith House, The Hyde, Edgware Road, London, NW9 6EE. Tel: 01-200 6505 (15 lines) Telex: 261874



Licences "Know-how" Engineering

In practically every field of production technology, applied science

with Soviet Export-Import Organisation LICENSINTORG offering licences for inventions and expert engineering services.

Write for more information to: V/O LICENSINTORG 31, Kakhovka Ul 113461 Moscow, USSR Tel: 122-02-54 Telex: 7246



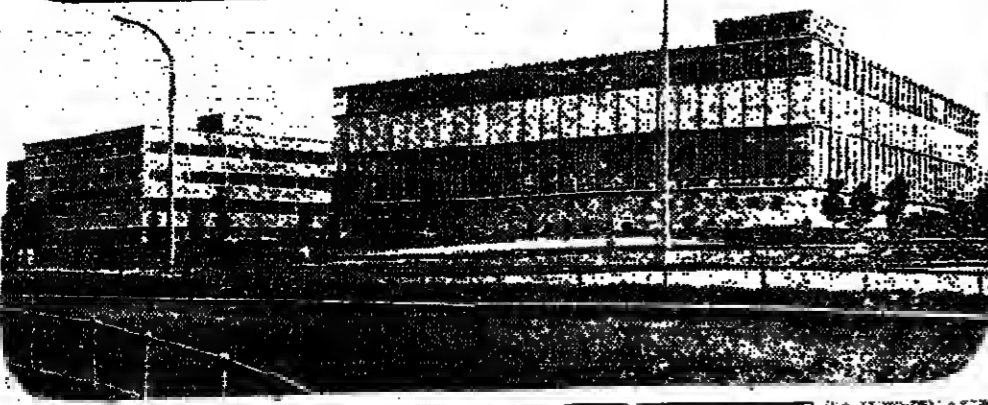
V/O STANKOIMPORT exports:

METAL WORKING MACHINES

lathes including automatic & vertical; drilling, boring, grinding, honing, polishing, electric erosion, ultrasonic, gear-cutting & gear-milling, thread-cutting, milling, planing, broaching, cutting-off; multi-unit machines & automatic metal-working lines; numerically controlled machines, multistation machine tools.

- FORGING MACHINERY & PRESSES
- WOODWORKING MACHINES
- MEASURING INSTRUMENTS & GAUGES
- AIR- & POWER-DRIVEN HAND TOOLS
- METAL & WOOD CUTTING TOOLS
- MECHANICAL TOOLS & CHUCKS
- DIAMOND & ELBOR TOOLS
- ABRASIVE TOOLS
- BALL & ROLLER BEARINGS

34/79 ul. Obrucheva, 117839 Moscow V-342, USSR Telephone 333-51-01 Telex 7691, 7692, 7693



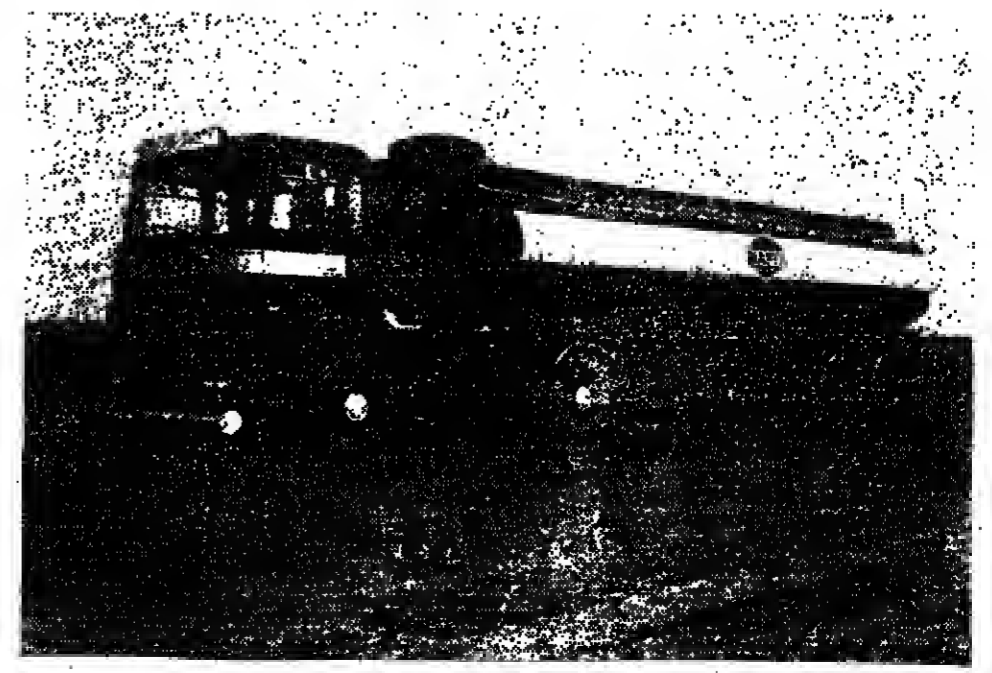
NAFTA (G.B.) LTD.

11 Moorfields High Walk, London EC2Y 9AH Tel: 01-638 6591 Telex: Naffal G 885457

Exporters, importers and distributors of crude oils and petroleum products—gas oil, fuel oils, motor spirits, paraffin waxes, marine diesel oil and kerosene. Stocks at Grays, Immingham, Bedworth (Warks), Shefford (Beds), Barry and Grangemouth.

NAFTA (G.B.) LTD., markets its motor fuels and oils through a chain of Company and Dealer owned filling stations throughout the U.K. and are suppliers of heating oils and other petroleum products to commercial and local authority customers.

Enquiries are welcomed at the above address



ADVERTISEMENT IV

Success of Soviet machinery in the United Kingdom

UMO PLANT

- COMMERCIAL VEHICLES
- DUMP TRUCKS
- WELDING EQUIPMENT
- EXCAVATORS
- PNEUMATIC PUNCHERS
- COMPRESSORS
- SCRAPERS

UMO BELARUS

- RANGE OF 2 WHEEL & 4 WHEEL TRACTORS AND FULL RANGE OF COMPLEMENTARY AGRICULTURAL EQUIPMENT



UMO GROUP

Head Office: Kirkcaldy, Dundee, Tel: 0302 863131
 Central Office: Glasgow, Tel: 043 74 8425

CMEA's 30 years of growth

BY V. BALYBIN, EXECUTIVE SECRETARY of the Soviet side of the CMEA's Permanent Commission on Foreign Trade

THE Council for Mutual Economic Assistance (CMEA) celebrates its 30th anniversary this year. It encompasses a population of about 430 million people and covers one fifth of the globe with member countries on three continents.

The CMEA now has ten members with the accession of Vietnam last year—Bulgaria, Cuba, Czechoslovakia, Hungary, the GDR, Mongolia, Poland, Romania, the USSR and Vietnam. The CMEA aims to promote the systematic development of the member states' national economies by bringing together and co-ordinating their economic effort. This includes co-ordinating economic, scientific and technological collaboration, raising the level of industrialisation in those countries with less developed industrial economies and ensuring the growth of labour productivity and of living standards.

This programme is implemented on the basis of equality between the member states. The CMEA is not a supra-national organisation and has to base its work on the recognition of the national sovereignty, independence and national interests of each member state.

The success of the CMEA over its thirty year existence is testified to by the steadily rising living standards and the strong and increasing economic potential of the member countries. GNP in the CMEA member states increased 7.3 times between 1951 and 1977 compared with a threefold increase in GNP in the West over the same period.

The present industrial potential of the CMEA is twice that of the EEC and is even greater than that of the USA. It now accounts for about one third of world industrial production.

The CMEA constitutes the world's largest and most dynamic industrial-organising grouping. The enormous fuel and raw material resources within the CMEA mean that the member states are able to cope with the most difficult development problems.

The mutual trade turnover of the CMEA countries in 1977 was twenty times that of 1950. Through mutual trade the CMEA countries meet 100 per cent of their import enquiries in coal and electric power, 80 per cent of their requirements in oil and petrol products, 80 per cent of their timber requirements, 75 per cent of their iron-ore requirements, 70 per cent of their non-ferrous metal requirements, 70 per cent of their plant and machinery requirements and 65 per cent of consumer goods requirements.

The CMEA "Complex Programme," adopted in 1971, was designed to increase the pace of economic integration. This outlined the role of inter-governmental trade agreements between CMEA countries in providing for the member states' systematic economic development.

A particular feature was the co-ordination of economic planning in the most important sectors of the economy, including the co-ordination of five year plans. The pooling of efforts to carry out certain projects of mutual interest like the development of mineral resources, the construction of major industrial projects and joint scientific research was decided too.

A new co-ordinated plan was approved for the period 1978-1980. The projects are mainly aimed at building up additional capacities in fuel and raw material production. In 1978-79 over three thousand million roubles were invested.

Last year several important projects were commissioned. The "Friendship" gas pipeline from Urenburg to the western borders of the USSR is now in operation. It will carry 15.5 thousand million cubic metres of gas per year to Bulgaria, Hungary, the German Democratic Republic, Poland, Romania and Czechoslovakia.

The first "inter-grid" 750kV power transmission line from Vinnitsa in the USSR to Albertscha in Hungary also began operations at the end of last year. It will ensure the parallel operation of the Soviet Union's power grid with the common grid of its European CMEA partners.

The CMEA has now moved on to deciding long-term target programmes up to 1990 in fuels, raw materials, agriculture and food products.

Projects in the drafting stage include plans to develop transport communications and plans on consumer goods production. The long-term target programmes will serve as a basis for the successful co-ordination of all CMEA national economic plans from 1981 to 1985. They also describe joint ventures for that period. This allows the governments and trade organisations to conclude the necessary agreements, protocols and contracts.

These long-term programmes and joint ventures will radically effect both the volume and structure of CMEA trade. The Permanent Commission on Foreign Trade, which has jurisdiction over the whole area of internal CMEA trade and external trade, takes these into consideration in its activities.

Five year plans

THE AIM of the current Five Year Plan is the steady growth of the well-being and cultural level of the Soviet people.

The plan, which runs from 1976 to 1980, aims at the dynamic and proportional development of production facilities and the

enhancing of their efficiency, the speeding-up of scientific and technical progress, increasing labour productivity and many-sided improvements in the quality of work in every part of the national economy.

The keypin of the economic strategy is the further build-up

of the economic might of the Soviet Union, in the expansion and fundamental renovation of the production facilities, providing for steady balanced growth of the heavy industries in the table below, the figures show the advances that the Soviet Union have made during the various five-year plans.

Category	Five-year plan	Value
Industrial growth	I	2
	II	4.5
	III	6.5
	IV	11.2
	V	20.7
	VI	33.9
	VII	51.1
	VIII	76.8
	IX	110
	X	149-153
Growth rate	G.N.I. 1976-1980	124-128
	Industry 1976-1980	135-139
	Agriculture 1976-1980	114-117
	Freight 1976-1980	130
Value of 1% growth of national income	VII	1.4
	VIII	1.9
	IX	2.7
	X	3.6
Value of 1% growth of industrial output	VII	1.6
	VIII	3.0
	IX	4.0
	X	5.2
Capital investment (billion roubles)	1971-1975	500
	1976-1980	630
Foreign trade growth	1975	100
	1980	130-135
Oil (million tons)	1970	353
	1975	491
	1980	620-640

Planned 1980 figures



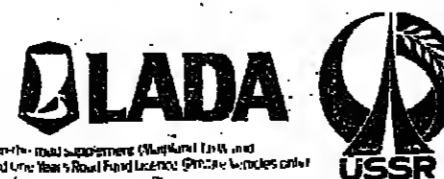
Come and test the meaning of the word value.

The Ladas. £2040* to £3048*

A lot of other car manufacturers use the word value these days. Rather loosely in many cases. The Lada range, on the other hand, gives the word meaning. Example: for £2040* you can have a brand new, four door family saloon with an 1198cc overhead cam engine. It's called a Lada 1200.

And how about the car that's easily mistaken for expensive? The luxurious Lada 1600 or even more luxurious 1600ES. Push velour upholstery, classic styling.

punchy performance. From only £2670*. There are seven models in the 1979 Lada line-up. You can see them on the V/O Avtoexport stand at the USSR National Exhibition at Earls Court in London from 23 May to 10 June. Also an display will be a wide range of Soviet commercial vehicles and heavy plant equipment.



*Prices include Car tax, VAT and Fire Insurances. Excludes 20% optional equipment. (Maximum 10% and 10% discounts available. Delivery excludes 10% delivery charge. Prices include 10% discount on cash payment. Excludes 10% discount on cash payment.

SNOWCAP ABUNDANT IN USEFUL SPACE

150-litre capacity of the kitchen-table type. Ideally suited for a small kitchen or luncheonette.

- 12" in the freezer chamber
- Power supply: 220-240V AC 50 Hz
- Low energy consumption
- Semi-automatic defrosting

12, V. Krasnoshchaya St. Tel. 264-56-22. Telex 7908.

RAZNOEXPORT

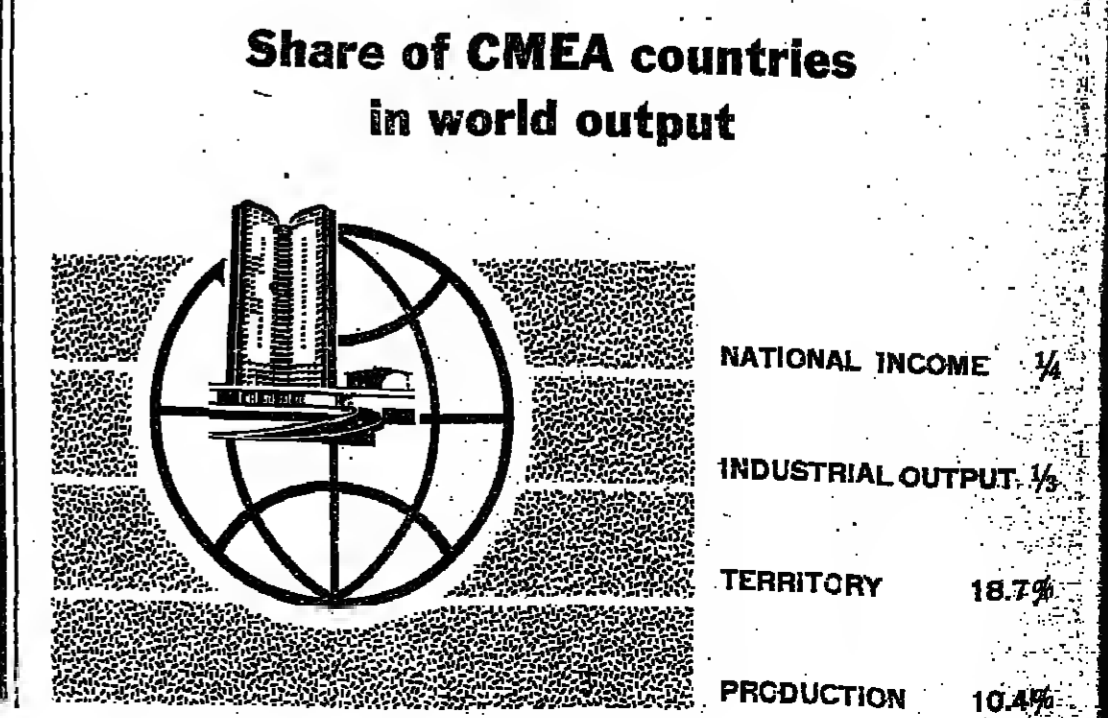
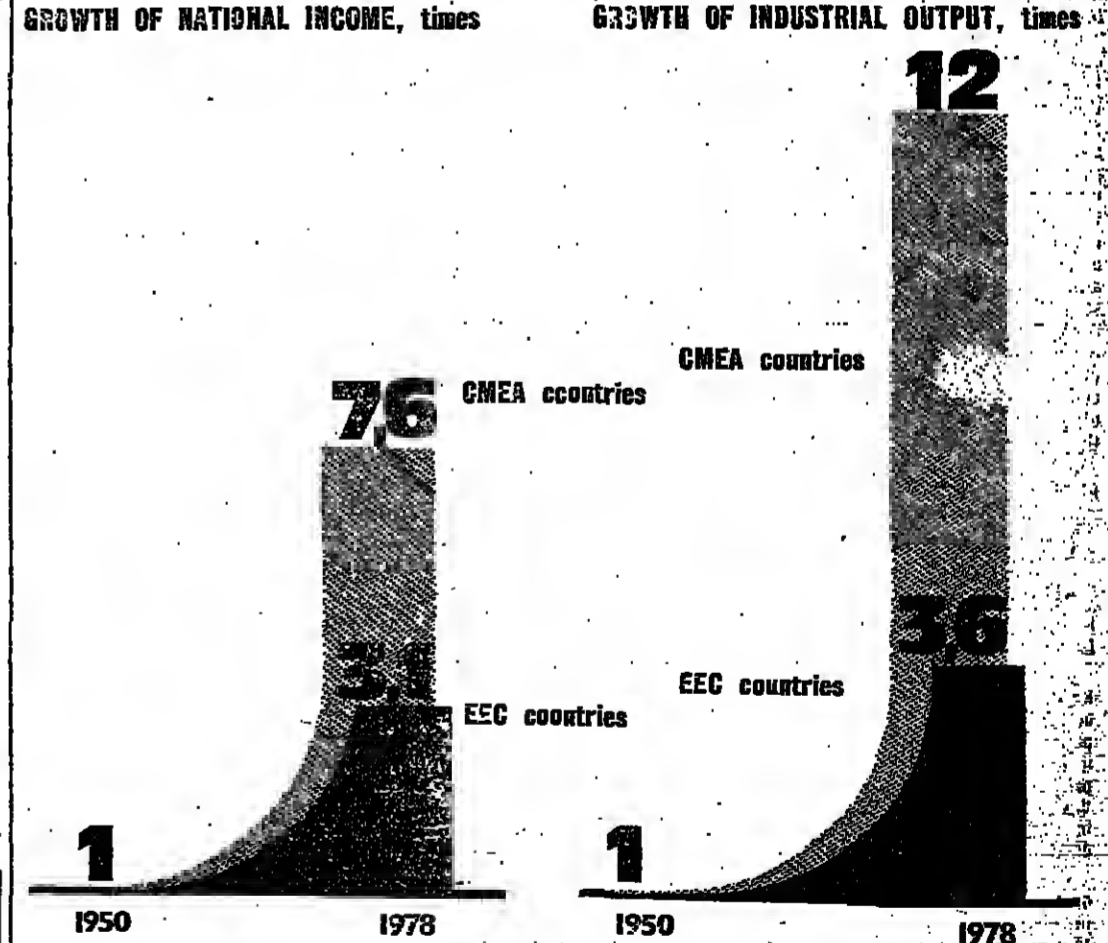
SAFEGUARD YOUR WELDING QUALITY WITH 'MIRA-3D'

PORTABLE PULSING X-RAY FLAW DETECTOR— the expert in non-destructive weld-quality checks, X-raying any article, assembly or structure

- ★ Spot-direction or panoramic viewing
- ★ Reliable, easy to operate and handle
- ★ X-ray unit weighs 13 kilos

In less than three minutes you can see through 15 mm-thick steel from a 30 cm distance and obtain a clear, sharp X-ray photo on D7 film, with 2.0 image density.

32/34, Smolenskaya-Serdnaya Pl. Moscow 121200, USSR. Tel. 244-32-85. Telex 7628.



The candid, inside view of a 'worker director'

"WE DON'T VOTE. It's a chairman's consensus — and the chairman is a strong man who likes to have his own way..."

"They do tend to stamp everything Highly Confidential, and that was inhibiting at first..."

"Middle management objected at the beginning — maybe they still do — but I can't point to any case where they have been by-passed because of us. They are sometimes by-passed anyway..."

"I think I can say with total truth that I was able to avoid making statements to the board that sought to justify the union's substantive claim..."

"Joint control would not be workable. I am not sure that the traditional trade union way could deal with that kind of pressure and responsibility..."

PETER SHAW is a trade union official, and one of the first fully-fledged worker-directors in Britain. Today, as at this time every month, he leaves his desk at the union's head office and goes to Howland Street in central London for a meeting of the Post Office Board. He is one of seven elected trade union nominees who have been privy to the Post Office's secrets since January last year when the two-year worker-director experiment was launched to political fanfare.

Meanwhile the Post Office experiment has proceeded peacefully and virtually unremarked. Neither the unions nor the PO have courted publicity; indeed, the PO refuses point-blank to talk about it until a joint review has been published towards the end of the year. Research workers at Imperial College, London, under Professor Dorothy Wedderburn, and at Warwick University under Professor George Bain are monitoring the experiment, both at board level and in the Post Office's divisions and areas.

The board was expanded by Act of Parliament and another Act will be needed if the system is to continue after next year — to create seven seats for the union nominees, five for executive directors, and five for independents (including two consumer representatives).

The union nominees (who are not actually called "worker-directors") are either head office officials or senior lay members on their union's national executive. They receive no fees.

Mr. Shaw, unlike most of his colleagues, has never worked for the Post Office. He is a former merchant navy radio operator who went to the trade unions' academic forcing-house, Ruskin College, and is now head of research for the Post Office Engineering Union. His union's nominees are looking for a man from the lay executive and is a member of the Communist Party — an affiliation that gave the Department of Industry some pause for thought but seems to have bothered no-one since.

the advantages of a mixed board. As for the Government, it has shown no sign yet of wanting to end the experiment on doctrinal grounds, and may therefore take its cue from the other parties to the experiment when the time for review comes.

If the trial has not been a conspicuous success, it has not been a failure either. And the fact that it has not collapsed in union eyes, proof of something important.

There seems to have been conflict at the early board meetings, when the worker-directors were both nervous and unsure of their role; some sought refuge in the adversary style to which they have been educated.

Mr. Shaw's own account suggests that the PO's fears — loss of confidentiality, factional voting, delay and prevarication — have proved groundless. Likewise, he says, he has not felt any conflict of interest, nor been the subject of hostility from within his own union. The two worker-directors of the Union of Post Office Workers have been less lucky. They were severely criticised by their union's conference delegates at this time last year for supporting within the board two proposals — restoration of Sunday collections and cut-price Christmas stamps. The ban on Sunday collections is DPW national policy.



Mr. Peter Shaw, an official of the POEU who is one of the union nominees on the Post Office board

Shaw says the Post Office is just too big to manage as one enterprise — a line taken by his union and vehemently opposed by the biggest of the PO unions, Mr. Tom Jackson's Union of Post Office Workers.

"I just don't think it's possible for any group of people, however skilled or able, to do justice to that kind of job. The chairman (Sir William Barlow), whom I admire very greatly, has tried to devote authority. In practice the papers always land up on his desk."

"We don't vote. It's not a faction fight and we sit all mixed up together. It's a chairman's consensus — and the chairman is a strong man who likes to have his own way. But then the PO is used to having a strong leader, whether it was the Postmaster-General or the Director before 1969."

"Sometimes people get quite heated, but the style of meetings is quite different from what we are used to in the unions. It's much more gentlemanly. There is some good-natured joking when people drop clangers — and we aren't the only ones who do that."

Mr. Shaw believes that one of the union's main contributions is to help change the old, avuncular style of management. "I think it's based on a misconception of management's role. They're decent, civilised people in the Post Office, and it's a good employer. But it still has this quaint attitude towards the staff. Management can propose what they like. But at the end of the day it's the staff — the unions — who decide whether that is going to be carried out. Management might as well recognise that. It's the standard adversary politics — though perhaps less than in some industries — and the old ideas of management prerogative and 'the unions' role is much in evidence. I would like to see that softened."

But some adversary element is still essential, according to Mr. Shaw, and for that reason he does not think that a straight 50-50 union-management board would easily work. "If a union is to survive, it has got to show that it disagrees with managerial decisions from time to time. Joint control would mean the corporate state and we have a basically healthy pluralist society."

"Given the way board decisions are arrived at, it's an

opportunity to exercise influence. I am not sure that the traditional trade union way could deal with that kind of pressure and responsibility. I don't think unions want that kind of role."

The worker-directors are under the same obligations as the others, even though they have their own constituencies to report to. They are not required to defend in public decisions of the board with which they disagree, but nor are they allowed publicly to attack those decisions.

They get a full summary of the minutes which they can discuss in private with their executive committees. That, says Mr. Shaw, has been one of the biggest bonuses for his union, and the rapidly report is eagerly awaited. "We are free to comment and explain why we have disagreed if necessary. But it doesn't often happen."

"On a number of occasions we have stopped things or altered things inside the board. But we have to do it by force of argument. The other directors have to see that it is sensible."

Confidentiality has not been a problem, Mr. Shaw said. "They do tend to stamp everything 'Highly Confidential' and that was inhibiting at first. Now I don't feel constrained at all when talking at head office, except about a very small group of strictly commercial decisions like tenders or a supplier's position, where information is highly sensitive."

"Directors sometimes express concern about information going too far. There is a certain institutional reluctance which is, however, probably breaking down. That may not be our doing entirely, but I think it can do nothing but good."

The unions' access at executive level to much more information about their employer has highlighted the lack of a good information channel in the reverse direction. Mr. Shaw said the POEU members seemed to have taken the point that worker

directors are not negotiators, and tended to talk to him mainly about the service — supplies, faults, staff shortages. But they needed a better system for such reporting and more should be done to encourage people to talk back to the board. There had been some advance, illustrated by a recent audio-visual presentation by the PO about the next 10 years of the telecommunications business, which was made available to all 120,000 of its engineers.

Shorter week

The worker-director's job is more delicate when a union pay-and-conditions claim is being negotiated. The experiment began while the POEU was in the throes of its most serious dispute for many years over a claim for a shorter working week: the product of deeply-felt insecurity about future job prospects under new technology. It was the kind of situation that trade unionists point to as a sufficient reason for refusing to allow workers on the board to avoid making statements to the board that sought to justify the substantive claim. I and my colleagues were trying to get the PO management to approach the negotiations in a different way. I think we were able to help in getting time for people to calm down."

The very fact that the union executive gets to hear what is in the board's mind means that the negotiators can less easily play the traditional bid-and-offer game. That may or may not be a drawback. Mr. Shaw argues that it could presage a more "realistic" and forward-looking style of bargaining, which he personally would favour. But he

admits that it could hardly work in one industry alone; there would have to be a similar change right across the economy.

Is the experiment really worth continuing? "The Post Office must be made to see that our presence can actually improve the way in which they run the business. They don't see that the creation of this institution can possibly be of benefit in terms of their achievements and their managerial functions."

"To a degree the thing is artificial, not created as a consequence of some felt need for change within the union or organisation. It was fashioned by Ministers (Benn and Kaufman). But for any participation scheme really to have a chance of being effective, managers themselves have to be enthusiastic about the notion of participation. It's the prime pre-condition of success."

"I don't think personally we have that kind of commitment from the Post Office at the moment. But it is worth pursuing — to create the circumstances in which they will become enthusiastic."

TORIES AND UNION LAW

In our issue for May 1 we published a montage of photographs to accompany an article entitled "Tories and Union Law." It has been pointed out to us that some readers may not have realised that the illustration was a montage of three different photographs and that the photograph of strikers shown attempting to stop a lorry by force was completely separate from the photographs of National Union of Journalists pickets and of a worker casting his vote in a strike ballot. We regret if any readers have gained any unintended impression and we apologise to those featured in the photographs of the NUJ pickets.

Letters to the Editor

Private sector letting

From Mr. R. Jensen

Sir—Your report (May 15) on the proposals of the National Improvement and Housing Council (NIHC) for remedying the disproportionate level of disrepair in the private rented sector, concerns me that NIHC is staffed by people with precisely the same misunderstanding of the problem as those politicians, unions, and other bodies responsible for its very existence.

The basic equation which must be satisfied is that: outgoings (of which repairs, maintenance and improvements will be the funding is there, be the major component) plus the opportunity cost forgone, should be balanced by rent income. An opportunity cost will vary with the type of landlord. For instance, the residential landlord will experience both a loss of privacy and peaceful enjoyment of his home and also increased immobility (because the "fair" rent fraud will have pushed the yield, upon sale to be slashed by up to two-thirds of the vacant-possession price and, furthermore, liability for capital gains tax is incurred upon sale); these are not a consideration for the investor landlord who is seeking neither to live in, nor to sell, the property but merely a modest return on the net value just like any other real business or savings investor.

When income fails to match outgoings plus opportunity cost forgone, one or both elements are not covered. In the case of the 550,000 or so controlled tenancies which divide the landlord with

the Euro Parliament by Co-operative power here at home, we shall make, as one of our earliest priorities, the reform of the budget to give proper emphasis to regional and social funds for the re-training and redeployment of workers. Therefore our rule is fairly limited, in that sense it's like the board of any other enterprise with part-time members."

There is little time for wider reflection because of the pressure of business problems, Mr.

Not much choice

From Mr. J. Holden

Sir—Mrs. N. Ings (May 10) must know that inflation-proof pensions in the private sector are very much the exception, whereas in the public sector they are very much the rule. The inflation-proofing of private sector pensions therefore represents a negligible percentage of private sector prices, whereas the inflation-proofing of public sector pensions is a heavy and increasing claim on the country's tax revenue, a proportion of which is paid by the private sector and thus forms part of

the prices which Mrs. Ings is asked to pay.

When faced with what she thinks is an unfair private sector price she can buy an alternative product (thus perhaps making her small contribution towards whatever pensions prevail in South Korea or Singapore) or go without. Inland Revenue, alas, will not allow me to propose a cheaper tax (Channel Island rates, for example) nor to contract out.

I continue in my resentment, therefore, at being forced to help pay, out of my own rent, the inflation-proofing of the occupational pensions of a privileged minority of my contemporaries. Even more, I resent and envy them their unfair freedom from the worry of what their standard of living could be in twenty years' time.

Two final points: my apologies to the Headmistress of St Felix School (May 10) for not having made it more obvious that my previous letter referred only to State schools, and my thanks to Mr. Townsend for his letter (May 11) on the scandal of the ever-widening gulf between public and private pensioners.

John Holden,
Garth House,
Pillerton Hersey, Warwickshire.

Index-linked pensions

From Mr. R. Nottage

Sir—Since the index linking of pensions is a device to protect the weaker members of society and is most necessary when inflation is most severe, Mr. Pilech's proposal (May 17) would surely mean a retrograde variation of national policy. More important, however, it does not tackle the real problem which is the plight of pensioners who were in private sector employer-based schemes. This minority, albeit a significant and articulate minority, of the nation's pensioners are victims of the pay-in-advance (or funded) method of financing pensions, the only one that employer-based schemes in the private sector can use. Unfortunately, however, it is a method that is vulnerable to persistent inflation, especially in periods of low economic growth.

The recent Labour Government did something to mitigate the problem by committing the taxpayer to meet the cost of index linking the guaranteed minimum pension element of pensions paid by contracted out schemes, although it is to be noted that those schemes (i) make no national insurance contributions in support of that benefit (ii) already receive substantial financial aid from the Exchequer through tax reliefs, and (iii) by contracting out of the state scheme cause contracting in companies to pay higher national insurance contributions than would otherwise be necessary.

In view of the misfortune of the present generation of private sector pensioners and the return of double digit inflation to this and other countries, it would be prudent for private sector companies now to transfer as much as possible of their pension liability from their own pay-in-advance schemes to the state pay-as-you-go scheme; and, if need be, press the Government to make improvements in that scheme. As the Government Actuary has pointed out, the pay-as-you-go basis of the state scheme enables it to maintain the real value of pensions without

Kenana sugar

From the Chief Executive, Kenana

Sir—The article on the Kenana sugar project (May 18), carrying a full page of your perceptive analysis, as I am sure will amaze all other participants. It is not fair to any of us who have been involved in the successful development of this project.

I am staggered that an article of this nature could be written in the British Press, on a project from which Britain has benefited from contracts worth over £150m, without any prior discussion with Lomro which is shareholder and has been involved throughout Kenana's development. In this letter I oppose to make only three points:

It seems to me to be insulting the Government of the Sudan, which suggest that the project was shirked upon without its being taken and integration into a economic development of a Sudan being appreciated. It only is Kenana, a national enterprise, which could endure for many decades a potential source of wealth and employment, but it has harboured other important investments and developments the Sudan, which, following the example of Kenana, are being and will make a valuable long-term contribution to any different sectors of the economy. I believe the Government of the Sudan has shown a shortsightedness demonstrably lacking in your correspondent's article.

To discuss the viability of a naqa against the current, wild price of sugar is like dis-

cussing the value of a goldmine when gold was at \$32 an ounce. I believe the economic development of the Sudan and the views of Kenana's shareholders are longer term than those of market traders.

Your correspondent who wrote frenzied and damagingly to magnify Kenana's problems in the summer of 1977, falls now to put those problems in their historical perspective. Raking dying embers is one unfortunate aspect of journalism; taking charcoal is a fruitless exercise. Not only has there been a full and amicable settlement between Lomro and Kenana, but Lomro has been and remains actively involved in helping Kenana overcome the challenges of the future.

Your full page article, sir, lacks your customary far-sightedness, is inaccurate and is in my view unfair to all the parties involved. It falls far below the otherwise high standards which you set yourself.

Troy Rowland,
Lomro,
Cheapside House,
138, Cheapside, E.C.2.

Power in Europe

From the Conservative Candidate Cleveland Euro Constituency

Sir—May I be permitted to elaborate on the necessarily brief comment by Observer on May 18?

Up here in Cleveland, we are extremely concerned with the size of the unemployment problem, the largest in the country. What I and many others have great faith in is the enhancement of Co-operative power in

Today's Events

GENERAL

UK: Japanese Foreign Minister Sumao Sonoda in London to meet Prime Minister, Chancellor of the Exchequer and Foreign Secretary.

TUC economic committee meets to agree Budget suggestions to the Chancellor. Sir Geoffrey Howe.

CBI discuss Budget suggestions with the Chancellor.

Israeli Prime Minister Menahem Begin addresses Jewish Solidarity Committee for Israel public meeting, Central Hall, Westminster.

Chelsea Flower Show opens, Royal Hospital (until May 25).

National exhibition of USSR

opens, Earls Court (until June 10).

Overseas: General election in Canada.

President Nicolae Ceausescu of Romania on four-day official visit to Spain.

Princess Anne starts three-day official visit to Portugal.

EEC Standing Committee on Employment meets in Brussels.

OFFICIAL STATISTICS

May provisional figures for unemployment and unfilled vacancies from the Department of Employment. April cyclical

indicators for the UK economy.

PARLIAMENTARY BUSINESS

House of Commons: Conclusion of debate on the Queen's speech (the economy, pay and prices).

House of Lords: Final day's debate on the Queen's speech, (foreign affairs and defence).

COMPANY RESULTS

Final dividends: Ace Belmont International, Advance Laundry, Ayshire Metal Products, Bentima Industries, Fine Art Developments, R. Panto and Co. Rotaprint, Scott and Robertson, Uniflex Holdings. Interim divi-

Midland in Moscow.

Midland Bank through its Representative in Moscow offers its full range of Group services to companies wishing to develop their business in the U.S.S.R.

Advice on all aspects of International Trade, including Export Finance and Eurocurrency operations, is available as well as guidance on specific projects.

In London, contact: Keith Cheshire. Tel: 01-606 9944 ext. 4357. Telex: 888401.

Our address in Moscow is Midland Bank Limited, Proyezd Khudozhestvenovo Teatra 6 Floor 4, Moscow. Group Representative: Dennis Skinner, MBE. Tel: Moscow 292 2443.

МИДЛЭНД БЭНК ЛИМИТЕД, Москва, Проезд Художественного Театра 6, этаж 4.

We can often make our conference room facilities available to visitors to Moscow, including telex, copying and business luncheon services.

We are about five minutes walk from Hotel Intourist. Walk up Gorky Street and take the first right by the traffic lights. You will find our brass plate on the right hand side about 40 paces past the Finnsir office. We are on the 4th Floor.

We deliver.

Midland Bank International

Midland Bank Limited, International Division, 60 Gracechurch Street, London EC3P 3BN. Tel: 01-606 9944.

Companies and Markets

UK COMPANY NEWS

MAM profit increases to £1.4m at midway

TAXABLE PROFITS of Management Agency and Music expanded from £1.04m to £1.4m in the six months to January 31, 1979, on turnover up from £7.5m to £8.78m.

The directors say the results are in line with expectations, and they confirm that the full-year surplus should show a modest increase over the £2.52m last time.

The net interim dividend is stepped up from 1.98p to 2.5125p, and the directors intend to lift the total to a maximum permitted 6.831p (18.265p) with a 4.3785p final. Stated earnings per 10p share are up from 6.83p to 9.18p.

After tax for the half-year of £732,614 (£541,125), net profit came through higher at £876,259 compared with £499,500.

HIGHLIGHTS

Lex looks at the boom in the gold bullion and shares markets where inflation fears are stimulating demand, while the flow of metal from official sources, such as the IMF and the U.S. Government has been reduced. There is quite a different picture on the UK equity market, where prices slumped again yesterday as institutional buyers prove reluctant to pick up stock from the multitude of short-term speculators active over the election period. Finally Lex looks at the report and accounts of Averys, threatened by a takeover from GEC, which has undertaken a major expansion in the leasing business. Elsewhere the half-time figures from Management Agency and Music confirm that the company's diversification away from its traditional showbusiness activities is helping to insulate profit from the problems of the record market. Abel Morrall's figures look disappointing even though a major fire is responsible for part of the downturn.

Principal activities of the group take in interests in services of, and management agency and promotion of, entertainment artists including Tom Jones, Engelbert Humperdinck and Gilbert O'Sullivan.

comment

MAM's diversification into fruit machine/juke boxes, and to a lesser extent hotels and aviation, has helped insulate it against volatile trading conditions in

Abel Morrall's results ravaged by fire

A SERIOUS fire at its premises knocked second-half taxable earnings of Abel Morrall 1978 for the company to finish the year with profit sharply down from a record £709,736 to £460,202. Sales by the company, which makes needles and general smallwares, were up £0.44m to £7.78m, but the exports content was down from £3.11m to £2.52m.

A mid-term the directors had said that higher costs had been the main cause of the fall of some £116,000 to £176,506 in first-half surplus. They, however, expected some improvement over the rest of the year.

In the event part of the company's Clive Works was damaged by fire in November causing a sizeable direct loss and significant assets and dislocations. This was followed in January by a much more serious blaze which destroyed almost the entire stock of knitting pins and most company records. Profit in the second six months slid to £283,698, against £416,987.

At present most stages of production affected are back to about pre-fire levels.

The Board says that it would be unwise to try to form an accurate impression of the company's performance during the past year. Encouraging progress towards normality has been made since the fire but the situation is too fluid to make a forecast for the current year. However, demand remains high.

All divisions help Plaxton's to £1.13m in first half

TAXABLE PROFITS of Plaxton's (Scarborough), coachbody builder, rose from £683,000 to £1.13m in the six months to March 31, 1979. And the directors expect full-year results to show an advance on the £2.42m last time.

The net interim dividend is stepped up from 1.75p to 2.25p per 25p share, the directors say the increase is to reduce disparity between the interim and final payments; last year's total was 3.75p.

Tax for the half-year took £586,000 compared with £449,000 previously.

The directors say all divisions have again produced improved profits and have good order books.

The luxury coach body building division has continued to progress, and has an excellent order book and adequate supply of chassis. Because of the division's policy of holding fairly high stocks of essential materials, the delivery drivers' dispute had only minimal effect on output. The proportion of the year's anticipated production delivered to customers in the first half was higher than in previous years.

The coach repair/service division has benefited from increased

DIVIDENDS ANNOUNCED

Company	Current payment	Date of payment	Corre-Total of sponding for year	Total last year
Abel Morrall	0.84	—	1.84	2.42
Chamberlin and Hill	1.15	—	1.02	2.03
MAM	2.51	July 16	1.98	6.27
Outwich Lrv.	1.3	June 26	1.03	1.9
Plaxton's (Scrbro) Int.	2.25	June 15	1.75	4.75
Toye and Co.	1.4	June 25	1.26	1.4

Dividends shown pence per share net except where otherwise stated. * Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ Final of 4.3785p forecast.

marginally weaker at 7.46p (7.54p). A net final dividend of 0.843p maintains the total at 2.419p.

Profit was struck after a £75,000 provision against loss of profits insurance. An extraordinary credit of £180,600 this time relates to a surplus over book value of the assets destroyed by the fire. Insurance claims are still being negotiated.

The company is proposing to change its name to Aero Needles Group.

comment

Final figures from Abel Morrall were disappointing even given the cautious interim forecast and the effect of November's fire, so the shares responded with a 4p drop to 40p. The fire occurred during the company's best trading period but this alone would not account for a 35 per

cent dive in pre-tax profits. Excluding the total for the year ended March 31, 1979, the total dividend has been held at the same level as last year, but a full recovery cannot be expected in the near future, as a second and more serious fire in January has created a further backlog of orders and the company estimates that although some stages of production are running as before, it will be 18 months before the company is back to normal.

Abel Morrall has been experiencing sales problems in the U.S., owing to the strength of sterling, but European markets are performing well and the order-book, not surprisingly, is above last year's level. On a very low stated tax charge the p/e is 5.2, but fully-taxed, it almost doubles and the dividend is covered around only 1.4 times. The yield is 9.2 per cent.

Further rise for Euro. Ferries

MR. KEITH WICKENDEN, chairman of European Ferries, says that it will be "surprising if overall group profits do not continue to advance."

The strengthening of sterling may cause a decline in continental traffic although it should encourage British holidaymakers to travel abroad. However, the chairman points out that the UK market is less able to react quickly to changing circumstances than on the continent because UK tourists tend to prefer to make their arrangements well in advance.

Last year was a good one for the company with profits, before tax, advancing from £21.77m to £25.85m. As reported on May 9 the group is considering splitting the capital giving one class of shares carrying dividends and the other carrying cheap fare concessions.

The chairman says that during the year sterling declined against other currencies represented in the ship mortgages. As a result, it has been necessary to make a provision for an extraordinary loss in this respect against a profit last time.

Mr. Wickenden points out that these adjustments are theoretical until such time as loan repayments are made—during 1979 the strength of sterling to date would mean a significant profit to be brought into account if the

exchange rate remains unchanged at the end of the year.

All the group's shipping routes again contributed to profits in 1978 and newer routes introduced in the last few years have built up "most encouragingly."

The shipping division showed pre-tax profits up from £15.82m to £18.33m despite most of the tourist fares being frozen.

The financial services and property division produced profits up from £4m to £5.5m. The group is using its strong liquid position to take advantage of the many opportunities presented. The chairman expects this division to continue to make a very worthwhile contribution to profits.

Referring to the group's joint property venture in the U.S., he says that the potential profit over a 10 to 15 year period is very high. Although the arrangements are only two months old a high level of activity has commenced.

At the year end cash balances showed an increase of £0.44m to £2.5m, while short term deposits fell from £20.73m to £14.38m. During the year spending on the construction of ships amounted to £8.55m (£8.2m).

BRENT CHEMICALS

The rights issue by Brent Chemicals International of

2,143,728 shares has been taken up to the extent of 3,113,961 shares (98.05 per cent of the issue).

Outwich earns and pays more

PRE-TAX REVENUE of Outwich Investment Trust rose from £1.56m to £1.82m for the year ended March 31, 1979. And after tax and exchange differences the available balance came through ahead at £1.2m against £1m.

Earnings per 25p share are shown as 2.22p (1.82p) and a final payment of 1.3p lifts the dividend for the period from 1.82p to 1.9p net.

Revenue from investments, underwriting commissions and bank and loan interest totalled £2.22m (£1.84m) and the pre-tax figure, was struck after interest and expenses of £399,312 (£279,950).

Dividends for the year took £1.04m (£853,347).

Total net assets were £39.74m (£32.54m) or 73.7p (64.4p) per share.

Dreamland Group

Europe's Largest Manufacturer of Electric Blankets

"I am confident of further significant advances in sales and profits"

F. R. Williams—Chairman

- * The Group exceeded its planned growth target for 1979 producing record turnover of £8.3m and profits exceeding £1m for the first time.
- * Dividend increased for seventh consecutive year to permitted maximum of 1.4187p per share.
- * U.K. market share for consumer products increased to 51%.
- * Exports increased to 10% of Group turnover. Confident our vigorous marketing policy in Europe will result in a substantial increase in future sales and profits.
- * Our new generation of super-safe electric blankets will open up new opportunities both at home and overseas.
- * Sales of fire detection systems made significant world-wide progress.
- * Confident that, in absence of unforeseen circumstances, introduction of new generation of products and continuation of 1978's high level of efficiency will result in further significant advances in sales and profits in the current year.

Copies of the Annual Report may be obtained from the Secretary

DREAMLAND MONOGRAM ALARMLINE

Dreamland Electrical Appliances Limited, Hythe, Southampton SO4 6YE.

Motor account problems hold back Provincial Insurance

THE CONTINUED underwriting loss in the UK by Provincial Insurance Company was a disappointing feature last year, says Mr. C. F. E. Shakerley, chairman, in his annual statement.

The company achieved a further substantial growth in premium income in the UK with a consequent improvement in the expense ratio. But the attempted aim of at least a break-even position on underwriting had received a temporary setback through the problems in the motor account.

Mr. Shakerley had hoped that company could have squeezed a marginal profit from the motor account despite the strains created in a rapidly growing portfolio. But the account suffered from the bad weather, a general rise in the number of claims, and a sharp increase in the average cost of claims, exacerbated by an above-average

number of large individual claims.

Personal insurances (household risks) were another difficult account. Mr. Shakerley points out that the insurance industry has been affected by four bad winters in a row. Theft experience in private dwellings, particularly in large conurbations, continues to deteriorate. These factors had eroded the effects of the strong remedial action taken to get the account firmly under control, but real progress had been made.

The overseas account returned a modest aggregate profit, against the previous year's marginal loss. There was a fall in premium income, partly due to the exclusion of Nigerian revenue, and also to the strength of sterling reducing the value of revenue from overseas.

Life cover continued to expand satisfactorily, with the life fund advancing by £4.5m to £22m at the end of 1978. New

business was again encouraging. As already reported, 1978 pre-tax profits rose to £3.7m (£3.4m), but profit after tax and minorities was down from £2.2m to £1.8m.

On prospects, Mr. Shakerley says the extreme weather since the beginning of the year had resulted in a poor first quarter on the UK account. It would need a considerable effort over the remainder of the year to produce a break-even result for the UK. But prospects were more encouraging overseas, where a further improvement in profits is expected.

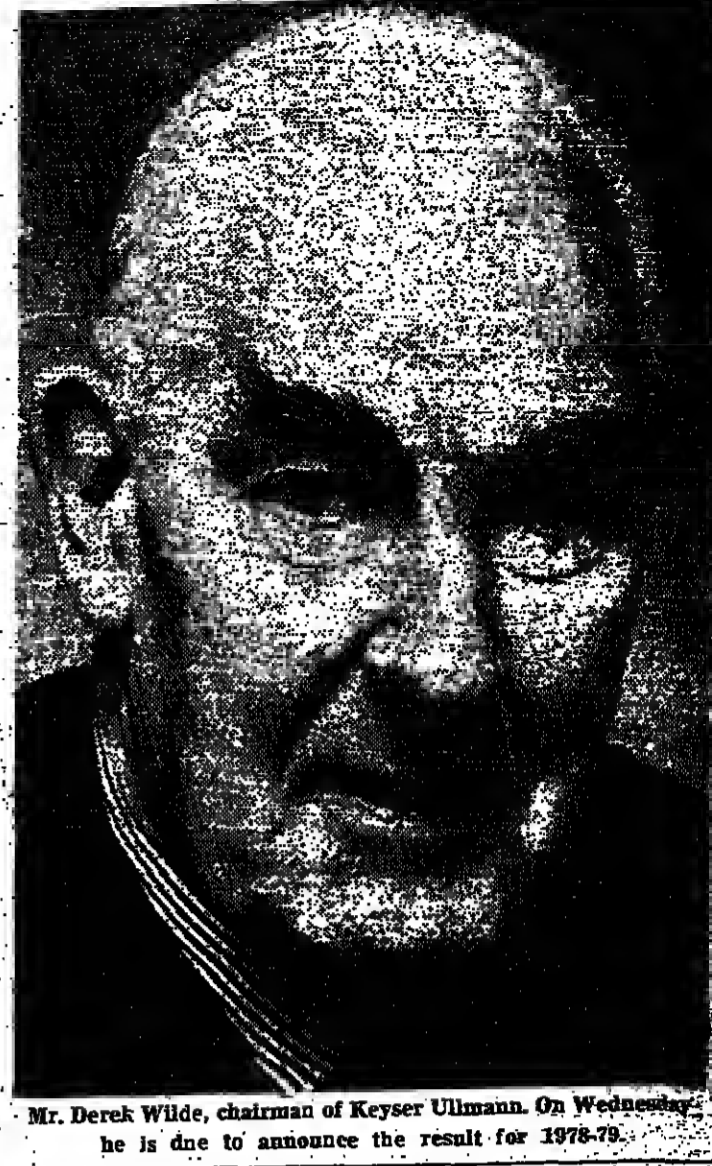
Sanderson Kayser

Provided Sanderson Kayser, steel and tool manufacturer, can continue to ensure its share of the home and export markets, the company's warehouse stocks and continuing plant modernisation policy should help to maintain profitability, Mr. N. Hanlon, chairman, tells members.

He says that during January order intake was poor, but improved sufficiently in the following two months for the directors to say that the order intake did not deteriorate further in real terms, from the general levels of 1978.

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual Interest	gross pay- Minimum of		Life sum bond
		interest	able	
Bradford (0274 29577)	11%	yearly	500	6
Burnley (0282 25011)	12%	1-year	500	6.7
Bury (061 764 6000)	10½%	1-year	1,000	3.5
Bury (061 764 6000)	11½%	1-year	1,000	6.7
Knowsley (051 548 6565)	11½%	1-year	1,000	5.7
Redbridge (01-478 3020)	11%	1-year	200	4.5
Redbridge (01-478 3020)	11½%	1-year	200	6.7
Wrekin (0952 505051)	12%	yearly	1,000	2.3



Mr. Derek Wilde, chairman of Keyser Ullmann. On Wednesday he is due to announce the result for 1978-79.

Chamberlin and Hill slips in second half

Profits of Chamberlin and Hill, the light grey ironfoundry group, slipped from £462,693 to £25,521 to £4,907.

There is no tax charge against £5,382.

Goodkind's performance, had dipped from £30,000 profit in 1977 to just over £5,000 in the following year, before showing a £88,000 and a £35,000 loss in 1978 and 1979 respectively. The last distribution was a 6.46p net payment for 1973.

CES chief sees 'another good year'

The weather continued to have an adverse effect on trade at Combined English Stores, in the opening weeks of the current year, states Mr. Murray Gordon, the chairman, in his annual review.

He adds, however, that the underlying trading conditions are good, and he believes 1979/80, "will prove to be another good year."

As reported on April 21 taxable profits for the year ended January 27, 1979, rose heavily £2m to £8.29m on sales ahead from £56.9m to £71m. The dividend is 3.6205p (3.2423p) net with a 1.9055p final.

£25,521 to £4,907.

Turnover improved from £7.55m to £9.55m. After tax of £384,476 (£241,287), net profits came through at £398,814 against £377,600 and earnings per share are stated at 11.56p (11.24p). Comparative figures have been restated for a change in treatment of deferred tax.

The dividend is effectively raised from 1.53p to 2.03p, with a final of 1.15p.

W. Goodkind slips back into deficit

Though its property subsidiary deficit was substantially lower, W. Goodkind and Sons, fur processor and distributor, fell back into loss in 1978. The group's deficit was £3,526, compared with a pre-tax surplus of £18,762. Again there is no dividend.

The Board does not anticipate losses in the current year, with the property company, which last year were down from

MAM MANAGEMENT AGENCY AND MUSIC LIMITED

INTERIM STATEMENT

The profits of the Group before taxation as shown by the unaudited accounts for the six months ended 31st January 1979, amounted to £1,408,873, compared with £1,040,825, for the comparative six months last year.

	Six Months	
	31st January 1979	31st January 1978
Turnover	£8,777,777	£7,296,938
Pre-tax Profits	1,408,873	1,040,825
Corporation Tax at 52½%	733,614	541,125
Interim Dividend	478,259	498,600
	185,135	144,708
Unappropriated Profit Carried Forward	£491,124	£354,792
Earnings per Ordinary share	9.18p	6.83p

The interim results now reported are in line with the Board's expectations, and the Board confirms its forecast that the profits for the full year should show a modest increase over those for 1978.

In view of the anticipated results it is the present intention of the Directors to increase the dividend for the year by 10% to the maximum amount permitted under current legislation, from 6.285 pence per share to 6.911 pence per share and to apply the greater part of this increase to the interim dividend.

Accordingly the Board has today declared an interim dividend of 2.5125 pence per share (1978—1.98p) and would expect to recommend in due course payment of a final dividend of 4.3785 pence per share (1978—4.289p).

The interim dividend will be paid on 16th July 1979 to shareholders registered at the close of business on 15th June 1979.

Get your boss to get together with my boss to sort out the details.

A boss-secretary team, as in every successful partnership, needs to be carefully matched by experts.

That is why we, at Senior Secretaries, would never dream of sending you an applicant without having first met you and taken stock both of your individual personality and the particular needs of the job. That way we manage to keep round pegs well away from square holes.

If you want a secretary who's right for you, we're the people you need to contact.

We also pride ourselves on having the best temps in London.

Telephone Juliet Hepburn on 6061611 (City) or Ann Mellon on 499 0092 (West End).

Senior Secretaries

A perfect match for every boss.
3/6 Trump Street, EC2V 8DD. 172 New Bond Street, W1Y 9PL.

COMPANY NOTICES

FLEMING JAPAN FUND S.A.

NOTICE IS HEREBY GIVEN that, pursuant to a resolution of the Annual General Meeting of shareholders held on May 15th, 1979...

NICHU CO. LTD.

NOTICE TO SHAREHOLDERS: The Annual General Meeting of Nichu Co. Ltd. will be held on May 25th, 1979...

ART GALLERIES

MALL GALLERIES

Contemporary Art—the De Saens Collection which includes works by Moore, Picasso, Miro and many young British artists.

AGNEW GALLERY

Contemporary Art—the De Saens Collection which includes works by Moore, Picasso, Miro and many young British artists.

REVISED NOTICE

NOTICE TO SHAREHOLDERS: The Annual General Meeting of Shell Centre will be held on May 25th, 1979...

PERSONAL

Who will provide jobs for our disabled ex-Servicemen? Finding work is hard enough...

CLUBS

EVE, 199, Regent Street, 724 0567. A la Carte at the Regent Hotel...

Companies and Markets

UK COMPANY NEWS

Halifax lends 24% more and sees further increase

A RECORD £1.65bn was lent last year by the Halifax Building Society, the largest in the UK...

beyond the general level of inflation in the last 12 months. He added that despite the recent decline in interest rates...

Although liquid funds had increased during the year their proportion to total assets had reduced. But the higher level of liquid funds had allowed the society to increase lending.

House prices during 1978 rose, according to our figures by about 25 per cent and although it can be argued that they might have risen more if more money had been available in the house purchase market...

"The most important task confronting the Government is to keep the rate of inflation down, and the level of interest rates has a part to play in this," said Sir Raymond.

The Chicago-based bank has maintained its Southeast Asia representative office in Singapore.

Averys plans expansion of leasing activities

Averys, the Smethwick-based weighing, testing and measuring machine group, is planning to step up its borrowing limit from a present £9.23m to £64.37m.

Toye at record £387,725

PRE-TAX profits of Toye and Co., manufacturer of civil and military regalia, finished 1978 well ahead at a record £387,725 against a previous £207,207.

At halfway profits were up from £108,574 to £204,806 and directors were looking for an equally satisfactory second six months.

Mr. R. C. Hale, chairman, says, however, that it is not intended to significantly increase its borrowings, following this move, except to the extent appropriate to facilitate the growing leasing business.

Referring to the leasing subsidiary, the chairman says that this was set up primarily to lease group products as a sales aid and commenced operations in a small way late in 1977.

Assets which are the subject of leases to third parties had a net book value of £5.93m at December 31.

company's business and extensions of its field of operations have combined to make the present borrowing limit unduly restrictive. It is based on the equivalent of the amount of paid-up capital whereas the proposed new limit would be based on the aggregate of share capital and group reserves at December 31, 1978.

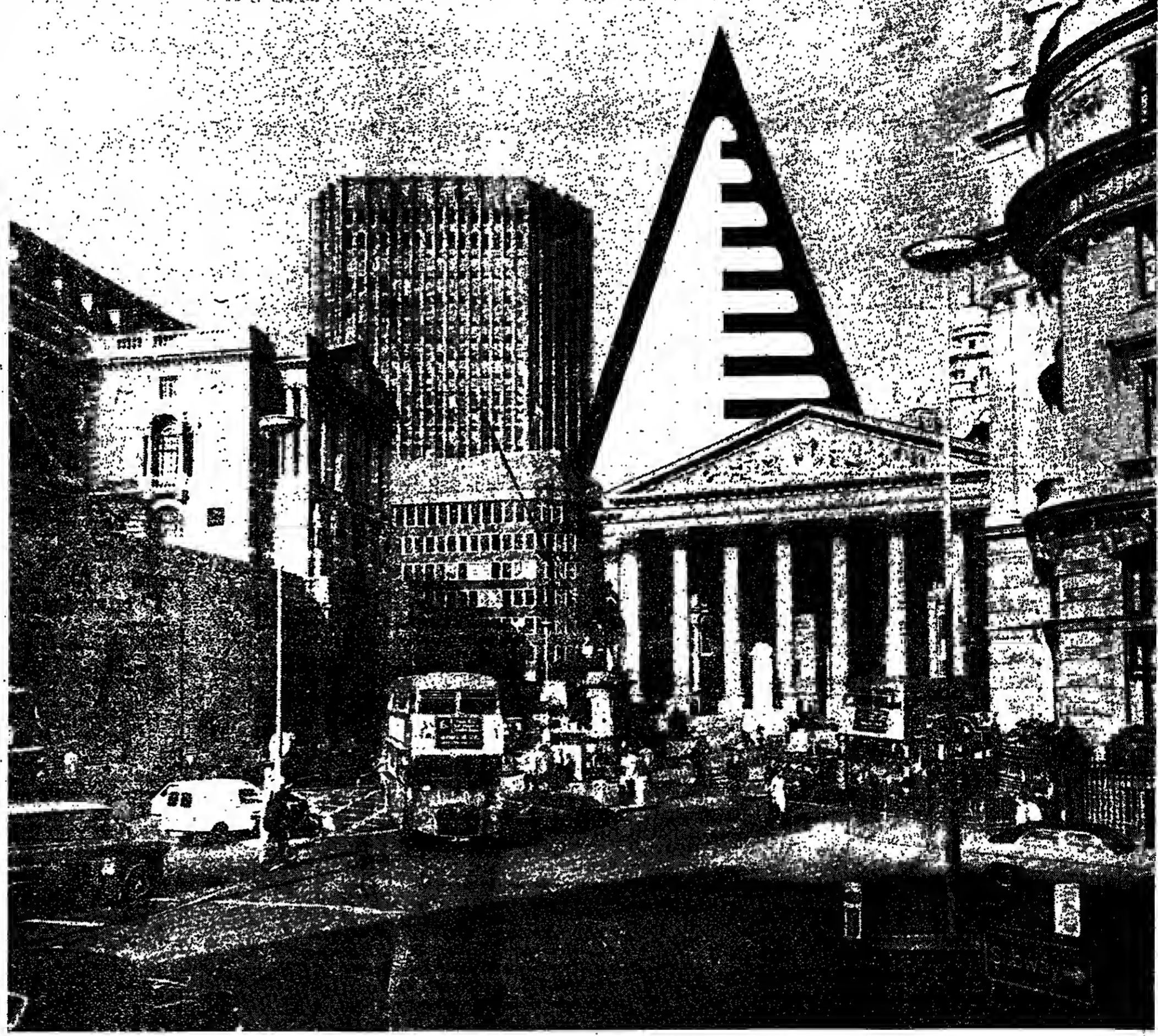
Commenting on group prospects, Mr. Hale says that the current order position is good and it is estimated that in the group's manufacturing sector the workload is secure for an average of five months ahead.

On new products the chairman reports that the group's light platform scale with electronic

indication has been well received by the home market and the group is looking forward to making it available in quality to overseas customers. There are other well advanced developments which will be of value to the group.

Group profits, before tax, in 1978 showed a marginal increase from £15.4m to £15.63m. The profit was reduced by industrial action in the first half year and by the changed status of Avery Nigeria from a subsidiary to an associate.

As a result of leasing, capital allowances for tax purposes have contributed to a reduction in tax for the year. In addition SSAP 15 has been applied in 1978 and the charge for 1977 has been reduced by £1.7m. Net earnings show an increase of 39.7 per cent over the adjusted earnings of 1977.



Building the Pyramid in Britain.

Since 1912, the Bankers Trust Pyramid has symbolised our commitment to financing industrial growth. It was a commitment that quickly spread abroad. By the 1920's, Bankers Trust branches in London and Paris were doing a brisk foreign exchange business and engaging in numerous international loans.

virtually every country in the world. During our half-century in Britain, we've forged strong links with international companies throughout the country. Our experience has shown British business more than willing to take advantage of new opportunities, particularly if the economic climate encourages investment and profits. We believe there is an abundance of creativity in Britain. To back it, we have 700 staff here providing sound, professional financial services. In such areas as foreign exchange, trade, commodities, insurance, energy and pension

fund management. Wherever you encounter the Bankers Trust Pyramid, you're dealing with a full service bank in the fullest sense of the word, with the capacity to raise, lend and manage money anywhere in the world. Bankers Trust Company 9 Queen Victoria Street, London EC4P 4DB. Tel: (01) 236 5030. 39-40 Temple Street, Birmingham B2 5DP. Tel: (021) 643 4935. 23 Princess Street, Manchester M2 4EN. Tel: (061) 236 1510.



WE, THE LIMBLESS, LOOK TO YOU FOR HELP. We come from both world wars. We come from Kenya, Malaya, Africa, Cyprus... and from Ulster. From keeping the peace no less than from war we limbless look to you for help.

DERBY DAY 200 EXHIBITION. Paintings, Sculpture and Souvenirs at the Royal Academy of Arts Piccadilly, London. Open Daily 10 am-6 pm until 1st July 1979. Admission £1.00.

Get a lake, a sauna and a boat free when you rent our log cabins. FINLAND. TWICKENHAM TRAVEL LTD. 22 Church Street, Twickenham TW1 3NW. Phone: 01-8927606.

BIDS and DEALS

John James suspended as talks under way

Talks are in progress which may lead to a bid for the John James Group, the company announced yesterday shortly after suspending its shares in the market.

Prior to the suspension the shares had moved up 6½p in contrast to the sharply falling market and ended the day at 55p. At this level the market values James at £15.5m.

Until 1976 the group was described as an investment trust with a book value of £5.6m, but it also has a spread of industrial trading subsidiaries which range from building and engineering supplies to specialist footwear and D-I-Y, plus property interests.

Profit figures for the half year to last September were stagnant at £1.1m after a £3m jump to £3.5m for the previous full year. Industrial unrest and bank interest charges were blamed for the squeeze on margins.

Mr. James, 73, a colourful West Country investor, known for his market forecasts, generosity to independent schools, and Williams Furniture, a company he sold to Allied Carpets in 1972, owns or controls through charitable trusts, nearly 60 per cent of the equity of John James. His personal stake amounts to 25 per cent.

MARRYPAT & SCOTT Marrypat and Scott has been acquired by Kone Oy of Finland, both companies being engaged in the manufacture of lifts and escalators.

The Kone Oy group has manufacturing companies in most of the major countries of Western Europe and is already represented in the UK by Kone Lifts, and Kone Mechanical Handling.

Marley moves into U.S. plastics

MARLEY, THE building products and DIY group, is moving into the U.S. plastics industry.

Following its agreement earlier this year with the Jim Walter Corporation to make concrete roof tiles in the U.S., Marley is paying \$5.5m (£2.5m) for an 80 per cent stake in GPI Petrochemicals of Chicago. Marley also says it is looking for other acquisitions in the U.S.

Through its wholly owned subsidiary Ingrid, GPI is a market leader in the manufacture and distribution of an expanding range of fashion plastics and plant and horticulture accessories.

The purchase price consists of \$25m (£13.7m), which will be paid to GPI shareholders, and a further \$3m (£1.45m) which will be injected into the company by way of a rights issue.

The remaining 20 per cent of GPI will be acquired in 1983 at a price to be based upon earnings. Profits before tax for the year ending June 1979, are expected to be about \$1m (£0.49m) and the book value of the net assets at that date, before revaluation, is estimated at \$3.3m (£2.6m).

GOUGH COOPER STAKE SOLD

A group of family shareholders has sold an 8.3 per cent stake in Gough Cooper, the

Dartford-based housebuilding concern.

The shares, which represent a mixture of beneficial and non-beneficial interests, have been placed with a variety of institutional holders at 85p.

Last night the company was anxious to stress that the disposal did not imply any loss of confidence on the part of members of the family, who had decided to sell for personal reasons.

No member of the Gough Cooper family has been involved with running the company since it came to the market in April, 1972. The same group of family shareholders between them still holds an 11.5 per cent stake.

MORRIS & BLAKEY IN DISCUSSIONS

Morris and Blakey Wall Papers, the wholesaler and retailer of decorating materials which asked for its shares to be suspended last week, confirmed yesterday that it was in discussions which may lead to a bid being made for its capital.

A. G. Stanley, which owns 16.02 per cent of the equity, admitted some time ago when it acquired its stake that it could provide a springboard for a full takeover bid.

Just before the suspension both the ordinary and the "A" shares of Morris and Blakey put on 12p to 184p and 134p respectively.

At these levels the company is valued at £4.5m for the group, which reported pre-tax profits of £440,000 for 1978, compared with £311,000, on a turnover of £10.6m (£8.5m).

Berkeley Hambro £2m property purchases

Berkeley Hambro Property has spent nearly £2m in shares and cash to buy two private property companies.

The companies, Marklare Investments and Harbros Investments, own a portfolio of reversionary property producing a rent roll of £100,000 per year at present, with reversions phasing in between now and 1985. The properties include an office building in Brook Street, Mayfair, two 15,000 sq ft blocks in Walton-on-Thames, a 17,500 sq ft office scheme let to Barclays Bank in Shrewsbury and a redevelopment site in St. Albans.

Berkeley Hambro paid £1.35m in cash and issued 325,000 shares for the portfolio.

Mr. David Bailey, a director of Berkeley Hambro, said yesterday that the group's cash resources had "very definitely improved."

"We are not lenders in the banks and we'd rather put the money into property. We'd like to do more like it for a mixture of shares and paper."

Berkeley Hambro's report and accounts are due to be sent to shareholders today. They should show further improvement in the group which has spent the past three years extricating itself from over-ambitious overseas property schemes in the U.S., Hong Kong and Europe.

REDIFFUSION

Rediffusion (West Midlands) has purchased over 400 television rental contracts from the Wolverhampton company, Telehire, the majority of which are contracts for colour sets.

COSTAIN

Costain Group has acquired a further 450,000 shares in Capital

and Counties Property to bring its interest up to 5.6m shares, equal to 7.297 per cent of the capital.

Costain re-affirms that its stake in CCP is purely for long term investment purposes.

LONRHO HAS 29.9% OF HOUSE OF FRASER

Lonrho, the international trading group which recently won control of Scottish and Universal Investments, has bought a further 850,000 shares in House of Fraser.

This brings the total stake which Lonrho now controls through itself and SUITS to 29.98 per cent, just a fraction short of the 30 per cent which under City takeover rules would force the company to make a bid for the rest of the shares.

Last night Mr. Paul Spicer, a director of Lonrho, said he could not say what the company might or might not do now.

Lonrho purchased the shares by exercising part of an option to buy a stake held by Carier Hamley Hale Holdings. Some 464,000 shares remain subject to this option.

KCA/FURNESS

Mr. Brian Shaw, managing director of shipping group Furness Withy, and his board have written to Mr. Paul Bristol, chairman of KCA International, replying to Mr. Bristol's proposals for a closer relationship between the two companies.

The move follows the purchase of a 12.13 per cent stake by KCA International in Furness Withy.

Mr. Bristol is not only seeking a closer commercial relationship for his group with Furness, but

also for Eurocanadian, which holds a 10 per cent shareholding in Furness.

Mr. Shaw, of Furness, said yesterday: "I have asked Mr. Bristol for more information and clarification, but one takes the proposals seriously."

Mr. Bristol is to visit the Office of Fair Trading today. He intends to tell the OFT that he is not fronting for Eurocanadian, a group which had tried to forge a close relationship with Furness in 1974 and 1975.

JENKS & CATTELL

Jenks and Cattell's half year figures mentioned in Saturday's report referred to the six months to the end of January, 1978. The company's latest interim results are expected shortly.

LCP COMPLETES

LCP Holdings has completed the acquisition of 70 per cent of Chevilles Bol for a cash consideration of FF8.5m (approximately £950,000).

MARCHWIEL

Following the sale of 60,000 ordinary shares, MARCHWIEL has reduced its holding in Westminster Property Group to 2,245,786 shares, or from 16.4 per cent to 12.97 per cent.

F. JOHNSTON

F. Johnston and Co. of Falkirk has agreed to acquire the entire capital of G. C. Brittain and Sons, of Ripley, Derbyshire, whose operations include two newspapers, commercial printing, three retail shops, and a wholesale trading company.

SHARE STAKES

Arthur Bell and Sons—The Gannochy Trust has sold 600,000 shares and now holds 5m shares.

Henry Morrison and Sons—Mr. W. P. Nichols, Jr., has acquired an interest in a further 211,000 ordinary shares.

United Engineering Industries—C. I. Skopper, director, family trust, on May 14 sold 400,000 shares (3.6 per cent) for £318,250.

Prince of Wales Hotels—C. Berlin, director, has disposed of 150,000 shares out of holding of 371,391 in which he was interested. B. Clayman, director, has disposed of 50,000 shares out of his holding of 288,999.

J. Hepworth and Sons—J. B. Hepworth has disposed of a beneficial interest in 95,000 shares.

Leona (Ceylon) Tea and Rubber—Malayalam Plantations bought 2,500 shares on May 14 and is interested in 44,000 (5.15 per cent). Harrison and Greenfield's subsidiary on May 14 bought 2,500 shares and is interested in 625,441 (73.25 per cent).

Glendevon Investment Trust—Merchant Navy Officers Pension fund acquired 25,000 shares on May 8, making holding 605,000 (6.1 per cent).

Rightwise-Jazerite Holdings has acquired further 7,960 shares and is interested in 740,620 (51.8 per cent).

Hardy property revaluation

A professional revaluation of properties is being undertaken by Hardy and Co. (Furnishers), the furniture retailing concern.

The move has been prompted by last week's bid for the company — now worth £25m — from Harris Queensway, the carpet retailer and discount furniture supplier.

So far Harris, with its shares in Hardy and the irrevocable undertakings that it has received from the Slotover family on the board, holds 47.9 per cent of the ordinary shares and 25 per cent of the "A" ordinary capital.

But the Datnow family, including Mr. E. L. Datnow, the chairman of Hardy, is not planning to accept the share and cash offer from Harris. The Datnow holdings represent 44.8 per cent of the ordinary capital and 22.8 per cent of the "A" ordinary capital.

The last professional valuation of Hardy's interest in land and buildings was carried out at April 1, 1977. In the last accounts for the year ended April 1, 1978, a directors' valuation of the property estimated that the excess of the market value over book value of land and building assets amounted to "approximately £5m."

On the stock market, the ordinary shares of Hardy soared 54p to 180p, while the "A" shares fell 5p to 97p. Harris shares dropped 13p to 239p.

The sharp rise in the ordinary voting shares in Hardy brought a warning from Harris's advisers, Conroy Bank, yesterday. Mr. Andrew Deacon said "people who buy at this level should be ready to incur a significant loss. This buying can only make sense for strategic purposes."

"For instance if someone has a huge block of 'A' shares, he may be prepared to buy voting shares knowing he will make a loss, simply to prevent frustration of the bid which is worth more to him because of his 'A' shares than the relatively small loss on the voting shares."

County Bank has bought out all the institutional holders of the voting shares, with the exception of Pearl Assurance.

Last night Hardy said that "until the Board is able to review the position with its advisers, shareholders are strongly recommended to take no action."

JANTAR BID

Mr. Jonathan Janson, chairman of JANTAR, the tin and colombo mining group, believes that the revised 10p offer from Mr. Edward Nassar is fair and reasonable despite the fact that the shares are currently standing at 14p.

He and his fellow directors, together with their family, do not intend, however, to accept the offer in respect of their 18.06 per cent stake and have received assurances from Mr. Nassar that they will continue as directors.

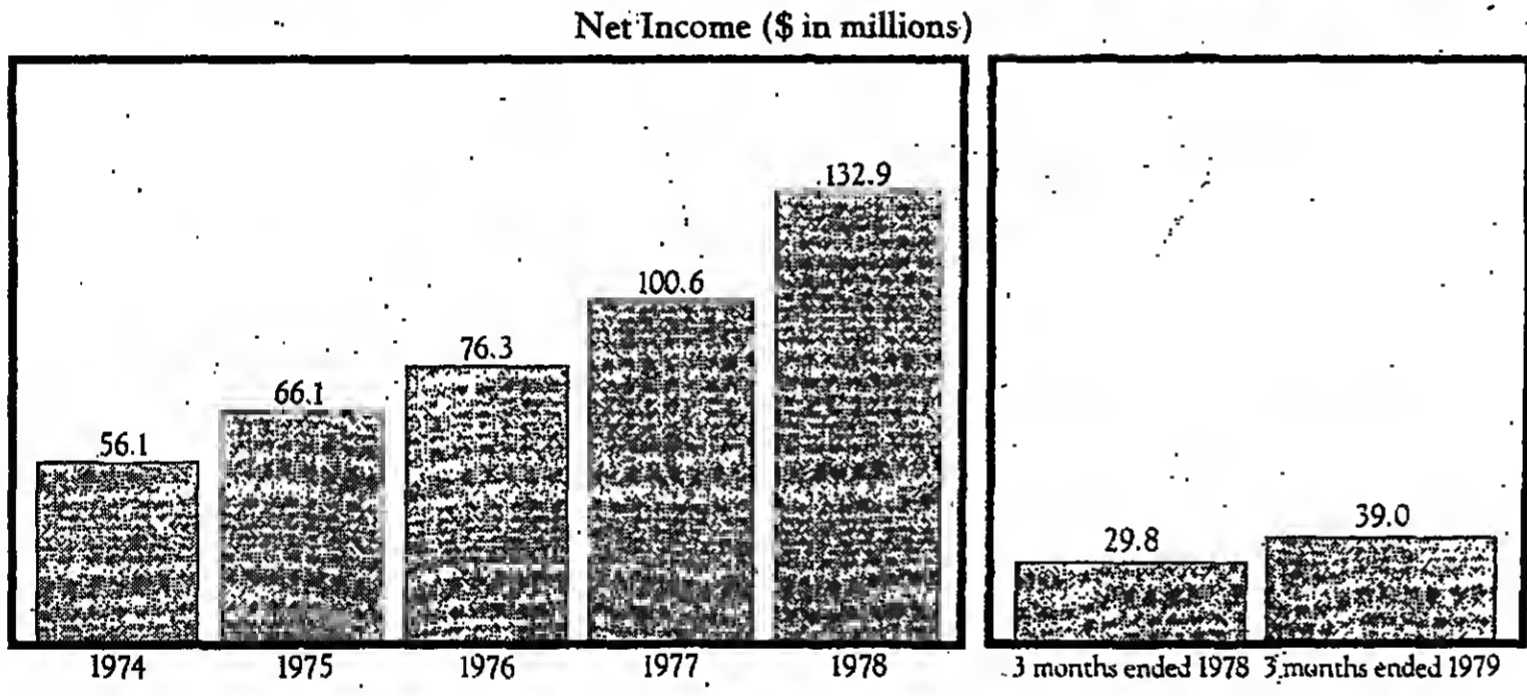
Their letter to shareholders draws attention to a deficit in the group's reserves of £48,277, which results from the substantial write-down of the remaining investment in the Nigerian assets.

Mr. Nassar believes that the company's Nigerian interests should be expanded. There are funds available in Nigeria, but the investment would need to be long term and there are doubts whether any proceeds from these could be repatriated. As a result, shareholders cannot expect to receive dividends for a number of years.

On the other hand Mr. Nassar intends to keep the stock exchange listing for the shares.

The offer document accompanies Jantar's report and accounts for 1978. With the Nigerian company's profits no longer consolidated, pre-tax profits dropped from £128,163 to £12,324. The provision of £117,175 against the Nigerian company, is lower than in the previous year, but results in the deficit on reserves.

Security Pacific keeps on growing.



Security Pacific Corporation Financial Highlights

AS OF MARCH 31, 1979			
	1978	1979	Increase
Assets	\$18,806,000,000	\$21,900,000,000	17%
Deposits	\$15,099,000,000	\$16,100,000,000	7%
Loans	\$12,252,000,000	\$14,400,000,000	18%

Security Pacific Corporation is the holding company for Security Pacific National Bank, tenth largest in the U.S. We are headquartered in Los Angeles, the most dynamic market in the United States and a principal Pacific Rim trading center.

Our international banking group serves over 75 countries through 36 branches and offices in Europe, the Middle East, the Far East, Australia and Latin America.

We also operate separate subsidiaries that provide equipment leasing, mortgage banking, consumer and commercial finance, venture capital, pension fund management and a broad range of financial services.

- We invite you to write for:
- 1978 annual report and 1979 quarterly reports
 - Current quarterly Economic Report
 - California International Trade Report
 - Information about Security Pacific commercial banking services

Write to: General Manager, Security Pacific National Bank, at any of these addresses:

2 Arundel Street, London WC2R 3DF
 Ulmenstrasse 30, 6000 Frankfurt 17
 Avenue des Arts 19H, 1040 Brussels
 10 Rue de la Paix, Paris 2

Security Pacific Corporation common stock is now listed on the New York Stock Exchange, and will be listed on the London Stock Exchange at mid-year.



SECURITY PACIFIC CORPORATION
SERVICE MARK OWNED BY SECURITY PACIFIC CORPORATION

Abel Morrall Limited

PRELIMINARY RESULTS

Year ended 31st December	1978	1977
Sales	£000's 7,784	£000's 7,341
Group profit before tax	460	710
Group profit after tax	380	383
Earnings per share	7.46p	7.54p
Interim dividends per 25p share	1.576p	0.576p
Proposed final dividend	0.843p	1.843p

Since the fires at Clive Works, production at most stages is back to pre-fire levels and great efforts are being made to increase output well beyond this. All our other activities have continued unaffected, demand remains high.

At the AGM a proposal will be made to change the Company's name to "Aero Needles Group Limited" capitalising on the "Aero" trade mark.

In view of the special circumstances, it is proposed to pay a final dividend of 0.843p, which together with the two Interim Dividends makes a total of 2.419p, the same as last year.

Manufacturers of "Aero" knitting pins, "Aero" haberdashery, Hand sewing needles, Handicraft and allied products.

The Annual General Meeting will be held at South Crest Hotel, Redditch, 28th June at 3.00 p.m.

Winding-up orders for 17 companies

Orders for the compulsory winding-up of 17 companies were made by Mr. Justice Stide in the High Court. They were:

Jeffrey Wallace Printing and Stationery, Kem-Strip, L. Rogers Builders and Contractors, Oakwith Estate Agencies, Euro-Thonn UK and Skyline Auto Services.

Specialist Timber Treatment, Shirland Models (London), Spicepine, Födepalm, Cambra-ma and Catt and Batten.

Interplan Office Equipment, Landstar Builders, Shorlain Construction (Wellingborough), Buckler Boat Company and Harold Whitehead Middle East.

AVERYS LIMITED

Weighting, Tasting and Measuring Machines

	1978	1977
Turnover	£'000 106,911	£'000 100,146
Profit before Taxation	15,632	15,401
Taxation	3,360	6,488
Profit after Taxation	12,272	8,913
Profit attributable to Shareholders	12,058	9,727
Earnings per share	32.7p	23.4p
Dividends (Gross) per share	13.20p	8.80p
Dividends (Net) per share	8.85p	5.87p

The figures for 1977 have been adjusted to compare with those for 1978 which incorporate the provisions of Standard Accounting Practice No. 15 dealing with deferred taxation.

Points from the Annual Statement to Shareholders by the Chairman, Mr. R. C. Hale, B.Com.

World trading conditions during the past year were considerably harder to contend with than those of recent years.

As a consequence of the operations of Avery Leasing Limited, capital allowances for taxation purposes have contributed to the reduction in taxation for the year.

Earnings per share have risen by approximately 40%.

The recommended final dividend, in conjunction with the interim dividend already paid, represents an increase of 50% over the dividend for 1977.

The Report and Accounts can be obtained from The Secretary, Averys Limited, Smethwick, Warley, West Midlands, B66 2LP.

UK COMPANY NEWS

Bowthorpe heading for record spending and profit

INVESTMENT IN high productivity plant and development of new products will reach a record level at Bowthorpe Holdings during 1979.

Last year the company, which produces electronics accessories and components, increased capital spending, including that on property, by £0.45m to £4.65m.

Reporting this Mr. Ray Parsons, the chairman, says that first quarter trading in the current year was highly satisfactory and he forecasts greater sales and profits at full time.

The group's cash position remains healthy and is to be enhanced by £0.58m surplus before tax from a leaseback deal on the site and buildings at Crawley. The company is, therefore, well placed to pursue balanced in-house growth and aggressive acquisitions, he points out.

The Crawley deal is subject to the purchaser obtaining planning consent to redevelop the site. If this sale goes through

£886,000 is payable immediately and the balance at the end of two years. This surplus, which is before £206,000 deferred tax will be reflected in the current year's accounts.

At the end of 1978 the group had bank loans and overdrafts of almost £2m (£2.5m) and held cash and deposits of £2.2m (£1.2m).

There were many difficulties for the group last year. Some were associated with the short-term effects of relocating some facilities. Three UK divisions did not attain the performance anticipated.

As reported April 14, including shares of associates of £0.78m (£0.38m), group taxable profit reached £5.52m (£5.92m). Sales were £7.11m better at £43.99m and exports were 9 per cent up at £8.91m.

On a current cost basis along the Hyda Guidelines profit is cut to £8.4m by £0.42m additional depreciation and £0.8m extra cost of sales less a £0.11m gearing adjustment.

Currently the directors are making an intensive reappraisal of all aspects of the Bowthorpe EMP division. Consolidation of the merger of two former divisions to create the new section has proved harder than expected, Mr. Parsons says.

During the year the group acquired Redpoint whose main products are heat sinks and heat pipes, for £317,000 cash, and sold the business of Hiatt and Co., handcut and police and mounting equipment maker, for £253,000. Profits at Redpoint have exceeded expectations and in the first three months of 1979 are ahead of budget.

Meeting, Crawley, on June 14 at noon.

Chas. Clifford shows recovery

Mr. Oliver Jessel's first annual statement as chairman of Charles Clifford Industries describes a recovery from a position in which it was generally accepted that the group "was doomed," but he does not quantify the costs of the major re-organisation which has begun.

Other costs last year, a period in which pre-tax losses hit £471,000, have been quantified. The Board changeover cost £121,900 by way of compensation for loss of office, and £178,000 was written off by way of sub-standard stock.

Both items were taken in at the trading level and were partially offset by sales of metal stocks taking advantage of higher prices.

Below the line £160,000 was provided against subsidiaries in Jersey.

The auditors have given the company a clear bill of health for the accounts to December and Mr. Jessel points out that the rights issue at that time, plus new cost controls on stock and debtors, had increased liquidity by £750,000 by April.

Losses, mostly confined to parts of Metallisation Services, "are being curtailed" and the group is currently operating at a moderate profit though further improvement will depend on the re-organisation.

"The costs of that programme including expansion of research facilities for thermal spraying, will, however, be debited to revenue in the current year thus curtailing the recovery for some time," but there are hopes that the overdraft at least—which was at its ceiling—will be reduced.

Global Natural Resources Properties Limited

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Fifth Annual General Meeting of the members of the Company will be held at The Grand Hotel, St. Helier, Jersey, Channel Islands, on Thursday, 28 June 1979 at 11.00 A.M. (Jersey time) to transact the following business:

- Receive and approve the Reports of the Directors and the Financial Statements and the Auditors' Reports thereon for the year ended 31 December, 1978.
 - Elect two Directors of the Company.
 - Special notice has been received that a resolution will be proposed for the re-election of a director of Mr. Walter H. Saunders who is 73 years of age.
 - Appoint Peat, Marwick, Mitchell & Co. auditors of the Company and authorise that the remuneration of the auditors be fixed by the Directors.
 - Approve a change in regular Directors' fees for Non-Management Directors and fees for service of committees of the Board.
- By Order of the Board
Anthony C. Boakes, Secretary

Instructions for Voting

- (A) Copies of the Company's Annual Report for the year ended 31 December 1978, including the Report of the Directors, audited Financial Statements and Auditors' Report and the Form of Proxy may be obtained from the office of GNRP Shareholder Services Limited ("Shareholder Services"), 2 Norfolk Square, Brighton, Sussex, England BN1 2PB.
- (B) A holder of a bearer share warrant certificate representing Common Shares of the Company is entitled to attend and vote in person or by proxy at the Meeting if not later than 11.00 A.M. (Jersey time) on 25 June 1979 such holder has:
 - (i) Obtained from Shareholder Services by mail or personal application a Certificate of Deposit of Share Warrant Certificates and Form of Proxy (indicate language preference, English, French, German or Spanish);
 - (ii) Lodged the bearer share certificates with a depository bank of the holder's choice in accordance with the instructions on the Certificate of Deposit and Form of Proxy;
 - (iii) Returned the completed and executed form of Proxy to Shareholder Services, 2 Norfolk Square, Brighton, Sussex, England BN1 2PB, prior to 11.00 A.M. 25 June, 1979.
- (C) To attend and vote in person at the Meetings, the holder must produce the completed Certificate of Deposit at the Meeting.
- (D) To attend and vote by proxy at the Meeting such holder must lodge the completed Certificate of Deposit and Form of Proxy with Shareholder Services prior to 11.00 A.M. 25 June 1979.
- (E) A member of the Company entitled to attend and vote at the Meetings may appoint another person (who need not be a member) as his proxy to attend and vote instead of him.

Dreamland sees further advance

Severe weather during the early months of 1979 created extra demand for products of Dreamland Electrical Appliances, and deliveries to the trade in the first quarter were at record levels, says Mr. Frederick Williams, the chairman, in his annual review.

And he is confident of a further significant advance in sales and profits in the current year.

As reported on April 18, taxable profits for 1978 rose 64 per cent to a record £1.15m on turnover of £3.32m (£2.7m).

Trading profits of £1.16m (£740,215) are reduced to £1.12m (£675,000) on a CCA basis after extra depreciation £48,000 (£34,000), and cost of sales adjustment £7,000 gain (£11,000 loss).

The chairman has waived all rights to the interim and final dividends in excess of 0.01p per share, as a personal and tangible protest, "against what I considered to be an unjust and iniquitous taxation system."

Auditors say Depreciation has not been charged on the freehold property and so is not in accordance with SSAP 12. And, stocks and work in progress do not include all applicable overheads and is not in accordance with SSAP 9.

Meeting, Great Eastern Hotel, EC, on June 13 at noon.

Confidence at Viking Resources

In his annual review to shareholders, Mr. J. G. S. Curren, chairman of Viking Resources Trust says the outlook for improving profitability in the oil and gas industry is better than he has seen for a number of years. He is sure the company can take advantage of the many opportunities this will present.

As reported on April 17 earnings of this investment trust company came out at £183,462 (£152,779) for the March 31, 1979, year, after tax, interest and expenses. The dividend is increased from 1.1p to 1.32p.

At balance date investments at valuation totalled £16.59m (£14.39m), of which £7.47m (£5.48m) was listed in the UK, and £7.65m (£7.35m) overseas.

Liquidity at the year end increased by £330,967 compared with a £65,928 decrease.

Meeting, Great Eastern Hotel, EC, on June 11 at noon.

Sun Life Pensions growth

The value of the Sun Life Managed Pension Fund reached almost £30m by the end of April, according to the latest financial statement of the fund. Its unit price since inception on June 29, 1973 had risen by over 150 per cent, compared with an increase of just over 100 per cent in the Unitaries All Share Index and 82 per cent in the FT-All gilt index.

The fund held 50 per cent of the portfolio in fixed interest securities, 38 per cent in equities, but only 4 per cent in property, with the remainder in cash. The fund has just purchased two further properties and expects further investment in this sector in the near future.

Commenting on the performance in 1978, Mr. P. G. Walker, in his chairman's statement, points out that it was a year of substantial growth, with new premiums amounting to £20.2m against £9.8m in 1977. The policy has been biased towards fixed-interest stocks, where the compounding of high running yields is substantial, rather than putting too much faith in perpetual large dividend increases.

The fund's equity investment has given greater emphasis to small and medium-sized companies rather than to industrial giants and he expected this successful policy to continue.

FRANCIS SUMNER ENGINEERING (controlled by Francis Sumner Holdings)—Turnover for 1978 £2,016,234 (£2,028,714). Profit £74,516 (£78,888) before tax £28,333 (£28,519). Earnings 15.86p (7.25p) and dividend 15.96p per cent (7.25p).

COSTA RICA RAILWAY—Gross income, year in June 30, 1978, £126,244 (£128,156) and available net revenue £1,152 (£12,579).

PRINCE OF WALES HOTELS—Results for 1978 reported on May 1 a better current liabilities £518,017 (£500,230). Fixed asset £4,25m (£3,67m). Increase in net assets £245,215 (£151,48m) increase). Commitments for capital spending at December 31, 1978, contracted £24,000 (£214,000), not contracted £225,000. Meeting, Southport, on June 8, noon.

SMITH ST. ALBYN AND CO. (HOLDINGS)—Results published April 23. Current liabilities £350,72m. Current assets £249,92m—bills discounted, less debts £207,44m (£151,48m). British Government £8.80m (£1,46m). Meeting, White Lion Court, EC, on June 10, at noon.

Bayer UK increases to £2.25m

Pre-tax profits of Bayer UK, the British subsidiary of Bayer AG, rose from £1.68m to £2.25m in 1978, an turnover 10 per cent higher at £106.92m against £96.52m.

After tax of £97,803 (£98,679), which last time included £607,000 for amounts deferred indefinitely because of stock appreciation relief, net profit came through at £2.18m compared with £738,708.

Mr. John Webb, managing director, says the current year started badly because of industrial disputes but figures so far indicate the company has made a full recovery and is on target for another record year.

He says a highlight of 1978 was the acquisition in December of the Unifroyal Latex production plant at Bromsgrove, Worcestershire, for £2.3m. The new Latex production division will make a good contribution to 1979 results, he adds.

All divisions and the subsidiary, Hartmann and Reimer, made good contributions in 1978, particularly the pharmaceutical division.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interim or final and the sub-divisions shown below are based mainly on last year's annual reports.

TODAY

Interim: Scottish National Trust, Rep. Status Organisation.

Final: Advance Lioneries, Avshira Metal, Eastons Industries, Fire Art Developments, Leeds and District Oyster and Fishermen, P. Pano, Ratapoint, Scott and Robert, Ltd.

FUTURE DATES

Both items were taken in at the trading level and were partially offset by sales of metal stocks taking advantage of higher prices.

Below the line £160,000 was provided against subsidiaries in Jersey.

The auditors have given the company a clear bill of health for the accounts to December and Mr. Jessel points out that the rights issue at that time, plus new cost controls on stock and debtors, had increased liquidity by £750,000 by April.

Losses, mostly confined to parts of Metallisation Services, "are being curtailed" and the group is currently operating at a moderate profit though further improvement will depend on the re-organisation.

"The costs of that programme including expansion of research facilities for thermal spraying, will, however, be debited to revenue in the current year thus curtailing the recovery for some time," but there are hopes that the overdraft at least—which was at its ceiling—will be reduced.

LILLEY GROUP

Extracts from the accounts and statement by the Chairman, Mr. J. Aitken.

* The Group has succeeded in maintaining the pattern of growth which has been a feature of its trading over the past number of years. Turnover increased by 20 per cent and pre-tax profits by 35 per cent.

* 29 per cent of the Group's business currently derives from overseas activities and exports.

* The increase in interest received during the year reflects the strong liquid position of the Group.

* The Directors recommend a final dividend of 1.875p net per share making 2.791666p net per share for the year.

"The success of the Group in expanding its trading and in generating resources is self evident. It has met the challenge of major construction projects of international importance requiring the application of a wide range of specialist skills and techniques."

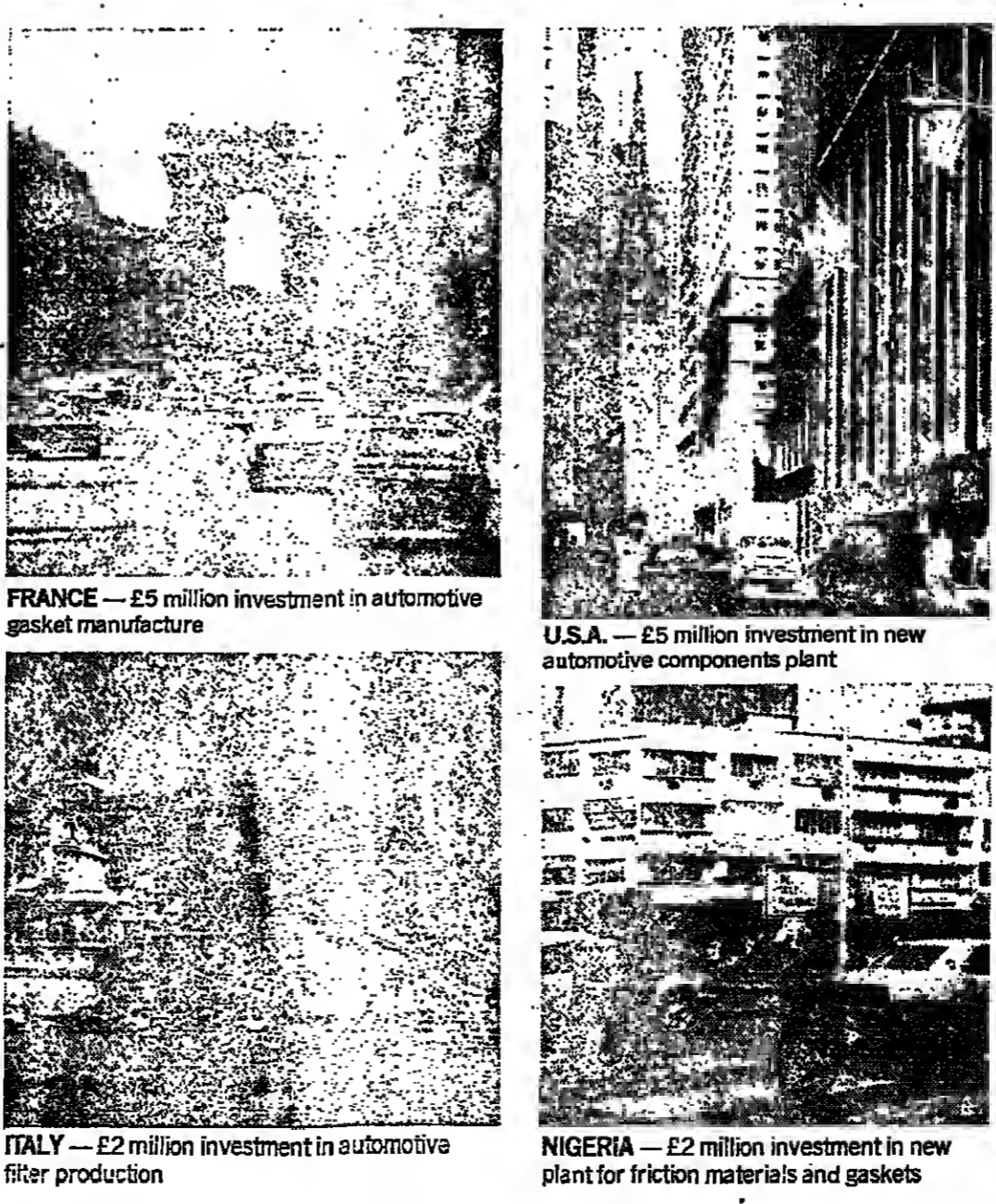
"The order book is satisfactory and the Directors believe that the Company's proven record of success in difficult trading conditions will be maintained... they view the year ahead with reasonable confidence."

TURNOVER £m's	
75	20.3
76	27.4
77	34.5
78	54.6
79	65.5
PRE-TAX PROFITS £m's	
75	1.6
76	2.0
77	2.5
78	3.1
79	4.2
NET EARNINGS PER SHARE	
75	6.65p
76	7.97p
77	9.75p
78	10.88p
79	12.96p

The Lilley Group is a large international construction combine. The spread of the Group's activities includes foundations and concrete works, industrial buildings, housing, tunnelling for drainage and underground railways, the construction of pipelines and treatment works for water and sewage, bridges and harbour works, ground engineering services, steel fabrication, and the manufacture of de-watering equipment, pipes and flanges.

For a copy of the Annual Report please contact the Secretary, F. J. C. Lilley Limited, 331 Charles Street, Glasgow G21 2DX.

Turner & Newall's automotive components division is really going places



FRANCE — £5 million investment in automotive gasket manufacture

U.S.A. — £5 million investment in new automotive components plant

ITALY — £2 million investment in automotive filter production

NIGERIA — £2 million investment in new plant for friction materials and gaskets

In the USA, for example, where we are expanding a recently acquired automotive components business.

In France, Italy, Belgium and Spain where new investment has consolidated our position as one of Europe's leading components suppliers. Indeed, throughout the world (we have manufacturing and distribution companies in 20 countries) we're continuing to expand and strengthen an 'on-the-spot' network capable of servicing multi-national vehicle manufacturers and local markets alike.

Automotive components is just one of the businesses in which T&N is making its mark internationally.

We are actively investing and growing in plastics, specialty chemicals, man-made mineral fibres and construction materials, in addition to mining asbestos.

T&N has developed at such a pace recently you may not have been able to catch up with the changes.

Why not do that now, by writing for our corporate brochure?

TURNER & NEWALL LIMITED

Providing what the future needs


To: Public Relations Dept., Turner & Newall Ltd., 20 St. Mary's Parsonage, Manchester M3 2NL.

Please send me a copy of your corporate brochure and/or Report & Accounts

Name _____

Address _____

A.22.5



THE SANWA BANK, LIMITED
SINGAPORE BRANCH

US\$ 20,000,000

NEGOTIABLE FLOATING RATE U.S. DOLLAR CERTIFICATES OF DEPOSIT DUE NOVEMBER, 1981

In accordance with the provisions of the Certificates, notice is hereby given that for the interest period from 9th May, 1979 to 9th November, 1979 the Certificates will carry a rate of interest of 11 5/8% per annum.

Agent Bank
Baring Brothers Asia Limited.
Singapore Branch.

9th May, 1979

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD.
45 Cornhill, London, EC3V 3PE. Tel: 01-623 6314

Index Guide as at May 17, 1979

Capital Fixed Interest Portfolio 114.70

Income Fixed Interest Portfolio 104.46

PRIVATE PATIENTS PLAN 1978 RESULTS

"For Private Patients Plan 1978 was a most successful year."

Record Subscriber Population
In September 1978 subscribers reached a record 214,700 and each month thereafter saw a new record achieved, so that by the end of the year, PPP protected over 220,000 subscribers, who with their families amounted to nearly half a million people.

Record Subscription Income
This reached a new high of £23.8m—20% higher than in 1977. This increase was due to the considerable number of new subscribers joining PPP during the year, since subscription rates remained virtually unaltered.

Benefits
In 1978 we set aside £18.5m to cover liabilities for benefits. Benefit payments each month now average in excess of £1.5m.

Assets
At the 31st of December 1978, funds in the company's control amounted to £37m. During 1978 the general reserve increased by £3.8m and the reserve at market values exceeded £15m. This reserve provides a strong base from which PPP can expand in the 1980's.

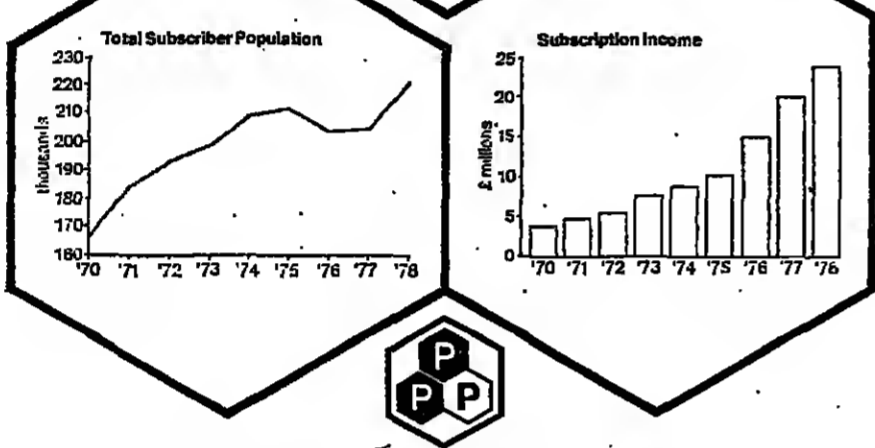
Support for independent hospitals
PPP is expanding its level of financial support to approved hospital projects with charitable status. An agreement has been reached with Nuffield Nursing Homes Trust to provide £2m by way of loan at a favourable interest rate to assist the Trust in its hospital development programme.

Company Master Plan
We introduced in May 1978 this new plan designed for companies to provide PPP benefits for their employees. We have handsomely exceeded our enrolment budgets. PPP now protects over 4,000 companies.

If you'd like to know more about us write to our Company Secretary, J.S. Burns at the address below.



J.F. Phillips
Chairman



Record subscriber population in 1978 subscriber numbers exceeded 220,000 covering 450,000 people. Individual enrolments increased which was a reversal of the trend of the last few years.

Record subscription income 1978 exceeded £23 million which is the highest level ever achieved. This chart illustrates the rapid financial growth of recent years.



Private Patients Plan
The Provident Association for Medical Care Limited.
Tunbridge Wells, Kent, TN1 2YZ (0892) 26255

MINING NEWS

Price trends disturb Cornish tin mines

BY PAUL CHESTERIGHT

THE TRUNCATED Cornish tin mining industry expects no substantial rise in the metal price for the immediate future and would be disturbed by the implications of such a rise if it did take place.

This became clear yesterday with the publication of the 1978 report of the Cornish Chamber of Mines and a statement from Mr. K. A. Gilbert, the chairman, delivered at the annual general meeting of the Chamber in Camborne.

The world balance between the supply and demand of tin is almost exact, Mr. Gilbert noted. Any sales from the U.S. stockpile must therefore "be expected at least to discourage any rise in the metal price." Further, the high prices, particularly last autumn, seem to have been caused by temporary shortages rather than by long term increases in demand.

"It seems unlikely that these high points in the graph will continue in the conditions that now prevail," Mr. Gilbert said. But he suggested that an international excess of smelting capacity would work in favour of the Cornish mines because of

competition for the material available for sale. However, the Chamber's annual report said that the high tin price has already brought about some substitution, although it had provided much-needed investment.

"At present it is thought that the two factors about balance each other but a price rise above the level set by inflation would not be to the industry's overall advantage," the report stated. This uncertainty about the future course of the market comes at a time when the industry is at a low ebb because of the mine closures at Mount Wellington and Wheal Jane. There are only three underground mines and three surface operators still producing tin.

Cornish tin production dropped last year to 2,802 tonnes of tin concentrates or 21.5 per cent of UK consumption. In 1977 3,857 tonnes were produced, meeting 29 per cent of domestic needs.

LOWER APRIL GOLD OUTPUT
This year's gently rising trend in gold production from the South African mines was

checked last month when output slipped to 1,891,977 oz from a re-stated 1,906,924 oz in March. Statistics from the Chamber of Mines show that the fall in output was the first after three successive months of rises. The cumulative total for the year so far is thus only marginally higher than at this time last year.

In the first four months of this year production was 7,475,682 oz against 7,473,714 oz over the same period of 1978. So far, output from new operations like ERGO and Elandsrand in the Anglo American Corporation group has had little effect on the national production statistics.

Stagnant output—1978 was only a slightly better year than 1977 when production was the lowest for 18 years—is a direct result of declining grades at established mines and the lower productivity following the introduction of an 11-shift fortnight.

In the coming months new operations should have more effect. The Selection Trust-Union Corporation joint venture is building up production, while Deelkraal in the Gold Fields group starts trial milling in the final quarter.

Atlas upgrades uranium find

AMERICA'S diversified natural resource group, Atlas Corporation, now reckons that the uranium discovery at Hope, Utah, contains at least 500 lbs of uranium oxide. Before the latest drilling the find was estimated at 4.5m lbs of economically recoverable uranium oxide. The grade of the ore is now at a higher than average 15 lbs

The advance in price of South African Gold shares gathered pace yesterday as the bullion price moved up further 37 to an all-time high peak of \$282.875 per ounce. Buying of Golds was widespread and heavy with American support particularly in evidence in the afternoon. The Gold Mines index climbed 5.5 to 181.2—its highest since the end of February—while the ex-premium index rose 4 points to 146.5, its best level for nearly 31 years.

Further drilling and sampling to determine the full extent of the discovery continues, but Atlas hopes to start commercial production in the final quarter of this year. There are outstanding royalties and other interests which reduce the rights of Atlas in the discovery.

THEFT PROBLEM AT UNITED TIN

Shareholders of United Tin have been warned that the year to March is unlikely to be recommended by the directors. The warning follows the disclosure that the annual accounts will be adversely affected by stock losses caused by theft at a UK subsidiary.

United Tin is in the process of liquidating its mining interests in Nigeria. The Nigerian Exchange price promotion Board has sanctioned the voluntary liquidation and the company is now awaiting Nigerian exchange control approvals for the remittance of funds it has gained from the sale.

The liquidation distribution is expected by the company to be about £120,000 less the liquidator's fee and any capital tax gains liability.

The company-told shareholders about the theft from its 51 per cent-owned subsidiary, John G. Rollins, a tools importer and distributor, at the annual meeting last December. The stock loss involved is about £40,000 and United Tin has now said there will be a material loss for the year ended March 31.

In the half year to September prior to the losses, Rollins had a pre-tax profit of £2,200. Annual accounts will be published within the next three months. The shares in London yesterday were 1p lower at 12p.

Kitts-Michelin possibilities

A REVISED concept for the Kitts-Michelin uranium deposits in Labrador is being considered by the Rio Tinto-Zinc group's 68.2 per cent-owned Brinco Canadian natural resource exploration and development group.

John Sogonich reports from Toronto that the new plan calls for mainly open-pit mining at Michelin in conjunction with underground mining at Kitts. This would involve a combined annual production of 1.3m lb uranium oxide over 15 years. The feasibility study is due to be completed in July.

As far as markets for the uranium are concerned, "a firm expression of interest on the part of a major utility" is reported. But the conclusion of a deal with this consumer depends on the resolution of a number of outstanding issues which include receipt of various governmental approvals.

that the "relatively rapid growth in steel consumption and production in the developing countries is a dynamic factor in the otherwise mature world steel industry."

Announcing a first quarter profit decline to C\$2.5m, or 48 cents per share, from \$3.7m or 68 cents, Cassair Asbestos points out that the four-month strike which closed its original Cassair mine in northern British Columbia had an adverse effect on sales. The strike ended January 15 and production and shipments of fibre resumed on a normal basis during February. First quarter sales (up to \$22.8m from \$19.5m) were 36,290 tons of which 34 per cent represented fibre from the Clinton mine in the Yukon (now closed).

Sheritt Gordon Mines anticipates a record year, providing that metal prices keep up and there are no labour problems at its mining division where wage negotiations are in progress. Profits for the first quarter advanced to C\$9.2m (\$3.9m), or 72 cents per share, from only C\$6.6m in the same period of 1978. Apart from higher prices for all products, notably copper

and cobalt, Sheritt's fabricated metal section operated at record levels, but the fertiliser section did less well.

Barymin Explorations says its Yava Mines subsidiary has signed a two-year smelter contract for its total output of lead concentrates with Metallgesellschaft of West Germany with the pricing to be based on London Metal Exchange quotations. Production start is expected in July, 1979.

Barymin is owned 30.5 per cent by Teek Corp.

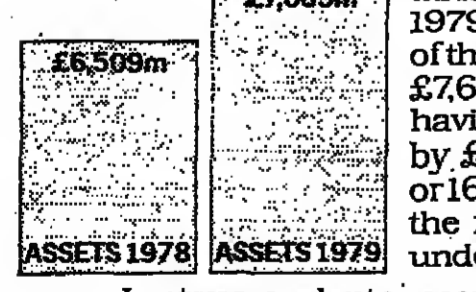
Newmont Mines, owned by Newmont Mining reports a profit of \$31.2m in 1978 against a loss of \$2.3m in 1977 from its Similkameen copper mining division near Princeton, B.C. Sales were C\$46.2m versus \$37m. The concentrator treated almost 7.5m short tons of copper-gold-silver ore to produce (in concentrates) 27,300 tons copper, 37,100 ounces gold and 139,800 ounces silver. Similkameen's reserves at end of 1978 were put at 149.1m tons averaging 0.41 per cent copper, vs 49.5m tons averaging 0.54 per cent a year earlier.

"Last year we lent a record amount to more people than ever before."

Sir Raymond Potter, Chairman



At the 126th Annual General Meeting of the Halifax Building Society held on 21st May 1979, the Chairman, Sir Raymond Potter, made the following points:



...At 31st January 1979 the assets of the Society were £7,603 million, having increased by £1,094 million, or 16.8% during the financial year under review...

...21 new branches and 106 new agencies have been opened during the last financial year in areas where there is a demand for the Society to be represented, with a consequent benefit to existing members and an increase in new members. All this, of course, has the effect of making more money available for mortgage lending...

...Although the actual amount of liquid funds increased during the year the proportion to total assets was reduced, enabling the Society to support a level of lending 24% higher than in the previous year, that is to say, the record sum of £1,649 million...

...Last year we lent a record amount to more people than ever before, the number of new investors was higher than it has been in any previous year, and the net investment inflow of £1,051 million was only £14 million short of the previous year's record...

...22.8% of the number of loans we made last year were to people 25 years of age or under, 61% were to those with incomes of £5,000 a year or below, and 27% were on properties built before 1919...

...We expect the number of open mortgage accounts to pass the million mark very shortly. This will be the first time that any building society in the world has achieved the distinction of being able to say that it is currently helping over one million families to own their own homes...

...On average during the last financial year 3,888 new accounts were opened each working day, and the total number of investment accounts—5,450,000—is roughly the equivalent of an account for one in ten of the population of the United Kingdom...

HALIFAX
The biggest building society in the world.
Trinity Road, Halifax HX1 2RG.

DISCOVER YOUR PARIS OFFICE

GEORGE V TIME RENTAL - OFFICES AND SERVICES OF INTERNATIONAL STANDARD YOU CAN RENT FOR AN HOUR, FOR A DAY, FOR A MONTH.

Whether you are coming to Paris regularly or occasionally, the GEORGE V EXECUTIVE CENTER Offices and Services are permanently available from 9 am. to 8 p.m.

AT ANY TIME.
For a few hours, a day, a month or more - the GEORGE V EXECUTIVE CENTER Offices and Services meet your requirements.
FF. 100,000 (excl. of tax) per hour - FF. 500,000 (excl. of tax) per day
Prices in force for the 1979 first half-year.

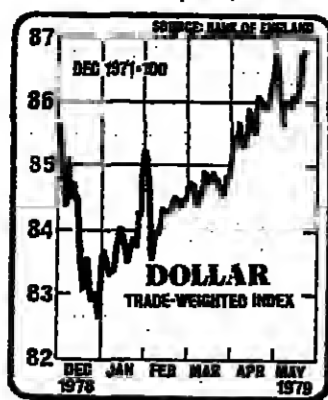
WITH ANY SERVICES.
Hostesses, multilingual secretaries, translators, messengers, library, duplicating room, meeting facilities, Head Office address for companies, travel agency, car rental, bar... available at your convenience.

GEORGE V EXECUTIVE CENTER, 30, AVENUE GEORGE V - 75008 PARIS, TEL. 26151.86

Handwritten signature and date: J.P. 12/1/50

Dollar firm

The dollar continued to improve against most currencies in yesterday's foreign exchange market, although support action by various central banks was responsible for the U.S. unit showing little change from Friday's closing levels in places.



However, yesterday's level was just marginally different from Friday's level of DM 1.8230. News of a sharp reduction in Germany's Wholesale Price Index in April to a 0.3 per cent rise from 2.1 per cent in March, appeared to have little effect on trading.

MILAN - The lira lost ground against the dollar and some EMS members but held firm against sterling. The dollar was quoted at L57.55, its best level since June last year, and compared with Friday's fixing of L56.2, the D-mark improved slightly to L44.58 from L44.5.

TOKYO - The dollar continued to improve against the Japanese yen yesterday and finished at ¥219.57, compared with Friday's close of ¥217.25. After opening at ¥220.01, it touched ¥220.3 before easing a little. Confidence in the yen remained low in the light of further oil price increases and cut backs in supplies.

FRANKFURT - The dollar was fixed below its best level in the morning of DM 1.8232 at DM 1.8227, but only after the Bundesbank had sold around \$43m at

THE POUND SPOT AND FORWARD

Table with columns: Day's spread, Close, One month, % Three months, % Six months. Rows include U.S., Canada, West Germany, France, etc.

THE DOLLAR SPOT AND FORWARD

Table with columns: Day's spread, Close, One month, % Three months, % Six months. Rows include U.S., Canada, West Germany, France, etc.

CURRENCY RATES

Table with columns: Bank, Special Rights, European Currency Unit, May 21, May 22. Rows include Sterling, U.S. dollar, etc.

CURRENCY MOVEMENTS

Table with columns: Bank of England, Morgan Guaranty, % change. Rows include Sterling, U.S. dollar, etc.

OTHER MARKETS

Table with columns: May 21, May 22, Note Rates. Rows include Argentina Peso, Australia Dollar, etc.

WORLD VALUE OF THE POUND

The table below gives the latest available rates of exchange for the pound against various currencies on May 21, 1979. In some cases rates are given in terms of the pound per unit of the foreign currency.

Large table with columns: PLACE AND LOCAL UNIT, VALUE OF £ STERLING, PLACE AND LOCAL UNIT, VALUE OF £ STERLING. Rows include Afghanistan, Albania, Algeria, etc.

EMS EUROPEAN CURRENCY UNIT RATES.

Table with columns: Currency, % change, % change adjusted for divergence, Divergence limit. Rows include ECU, German Mark, etc.

EXCHANGE CROSS RATES

Table with columns: May 21, Pound Sterling, U.S. Dollar, etc. Rows include Sterling, Dollar, etc.

EURO-CURRENCY INTEREST RATES

Table with columns: May 21, Sterling, U.S. Dollar, etc. Rows include 12-month, 6-month, etc.

INTERNATIONAL MONEY MARKET

U.S. rates slightly firmer

Federal funds were around 7 1/2 per cent in early New York. The overnight rate was 10 1/2 per cent at the same time on Friday. The Federal Open Market Committee meets today.

PARIS - Day-to-day money fell to 7 per cent from 7 1/2 per cent, while fixed period rates were unchanged at 7 1/2 per cent for one-month; 7 3/4 per cent for three-month; 8 1/4 per cent for six-month; and 8 1/2 per cent for 12-month.

FRANKFURT - Call money rose to 5.10-5.20 per cent from 5.05-5.10 per cent, but one-month funds were unchanged at 5.5-5.65 per cent. Three-month fell to 5.50-6.00 per cent from 5.5-6.05 per cent, and six-month to 6.20-6.40 per cent from 6.40-6.50 per cent. 12-month money was unchanged at 7.00-7.10 per cent.

HONG KONG - The money market was easy in the morning and tight in the afternoon, with call money at 8 1/2 per cent, and overnight at 9 1/2 per cent.

AMSTERDAM - Call money was unchanged at 7 1/2 per cent, three-month to 7 1/2 per cent, and six-month to 8 1/2 per cent. One-month rose to 7 1/2 per cent from 7 1/4 per cent.

BRUSSELS - Deposit rates for the Belgian franc (commercial) were firmer, with one-month at 7 1/2 per cent, compared with 7 1/4 per cent; three-month at 8 1/2 per cent; six-month at 8 1/2 per cent; and 12-month at 8 1/2 per cent from 8 1/4 per cent.

London money market was moderately firm, with 12-week bills unchanged at 9.72 per cent, while 26-week bills rose to 9.50 per cent from 9.40 per cent, and 12-month bills to 9.27 per cent from 9.25 per cent.

FRANKFURT - Call money rose to 5.10-5.20 per cent from 5.05-5.10 per cent, but one-month funds were unchanged at 5.5-5.65 per cent. Three-month fell to 5.50-6.00 per cent from 5.5-6.05 per cent, and six-month to 6.20-6.40 per cent from 6.40-6.50 per cent. 12-month money was unchanged at 7.00-7.10 per cent.

PARIS - Day-to-day money fell to 7 per cent from 7 1/2 per cent, while fixed period rates were unchanged at 7 1/2 per cent for one-month; 7 3/4 per cent for three-month; 8 1/4 per cent for six-month; and 8 1/2 per cent for 12-month.

FRANKFURT - Call money rose to 5.10-5.20 per cent from 5.05-5.10 per cent, but one-month funds were unchanged at 5.5-5.65 per cent. Three-month fell to 5.50-6.00 per cent from 5.5-6.05 per cent, and six-month to 6.20-6.40 per cent from 6.40-6.50 per cent. 12-month money was unchanged at 7.00-7.10 per cent.

HONG KONG - The money market was easy in the morning and tight in the afternoon, with call money at 8 1/2 per cent, and overnight at 9 1/2 per cent.

AMSTERDAM - Call money was unchanged at 7 1/2 per cent, three-month to 7 1/2 per cent, and six-month to 8 1/2 per cent. One-month rose to 7 1/2 per cent from 7 1/4 per cent.

BRUSSELS - Deposit rates for the Belgian franc (commercial) were firmer, with one-month at 7 1/2 per cent, compared with 7 1/4 per cent; three-month at 8 1/2 per cent; six-month at 8 1/2 per cent; and 12-month at 8 1/2 per cent from 8 1/4 per cent.

GOLD

Further rise

Gold maintained its recent sharp improvement in the London bullion market yesterday as it closed at an all-time high of \$263 1/4 an ounce, a rise of \$2 1/4.

Table with columns: May 11, May 12, May 13, May 14, May 15, May 16, May 17, May 18. Rows include Gold Bullion, Gold Coins, etc.

London money market was moderately firm, with 12-week bills unchanged at 9.72 per cent, while 26-week bills rose to 9.50 per cent from 9.40 per cent, and 12-month bills to 9.27 per cent from 9.25 per cent.

FRANKFURT - Call money rose to 5.10-5.20 per cent from 5.05-5.10 per cent, but one-month funds were unchanged at 5.5-5.65 per cent. Three-month fell to 5.50-6.00 per cent from 5.5-6.05 per cent, and six-month to 6.20-6.40 per cent from 6.40-6.50 per cent. 12-month money was unchanged at 7.00-7.10 per cent.

PARIS - Day-to-day money fell to 7 per cent from 7 1/2 per cent, while fixed period rates were unchanged at 7 1/2 per cent for one-month; 7 3/4 per cent for three-month; 8 1/4 per cent for six-month; and 8 1/2 per cent for 12-month.

FRANKFURT - Call money rose to 5.10-5.20 per cent from 5.05-5.10 per cent, but one-month funds were unchanged at 5.5-5.65 per cent. Three-month fell to 5.50-6.00 per cent from 5.5-6.05 per cent, and six-month to 6.20-6.40 per cent from 6.40-6.50 per cent. 12-month money was unchanged at 7.00-7.10 per cent.

HONG KONG - The money market was easy in the morning and tight in the afternoon, with call money at 8 1/2 per cent, and overnight at 9 1/2 per cent.

AMSTERDAM - Call money was unchanged at 7 1/2 per cent, three-month to 7 1/2 per cent, and six-month to 8 1/2 per cent. One-month rose to 7 1/2 per cent from 7 1/4 per cent.

BRUSSELS - Deposit rates for the Belgian franc (commercial) were firmer, with one-month at 7 1/2 per cent, compared with 7 1/4 per cent; three-month at 8 1/2 per cent; six-month at 8 1/2 per cent; and 12-month at 8 1/2 per cent from 8 1/4 per cent.

London money market was moderately firm, with 12-week bills unchanged at 9.72 per cent, while 26-week bills rose to 9.50 per cent from 9.40 per cent, and 12-month bills to 9.27 per cent from 9.25 per cent.

FRANKFURT - Call money rose to 5.10-5.20 per cent from 5.05-5.10 per cent, but one-month funds were unchanged at 5.5-5.65 per cent. Three-month fell to 5.50-6.00 per cent from 5.5-6.05 per cent, and six-month to 6.20-6.40 per cent from 6.40-6.50 per cent. 12-month money was unchanged at 7.00-7.10 per cent.

Thomas Cook Travellers Cheques. The accepted name for money. Worldwide. A member of Midland Bank Group.

EUROBONDS

The Association of International Bond Dealers Quotations and Yields appears monthly in the Financial Times.

It will be published in an eight-page format on the following dates in the remainder of 1979:

- June 12
July 9
August 13
September 10
October 15
November 12
December 10

Before you trade in U.S. Government Securities talk to Lanston, the U.S. Government Specialist in New York.

Before you make your next trade in U.S. Government securities, call Lanston in New York. We specialize in U.S. Government and Federal Agency Securities for banks, corporations and institutions located worldwide.

LANSTON Aubrey G. Lanston & Co., Inc. The U.S. Government Securities Specialist. Twenty Broad Street, New York, New York (212) 943-1200 International Telex: 233-746 Boston - Chicago

LONDON MONEY RATES

Table with columns: May 21, 1979, Starting Certificate of deposit, Interbank, Local Authority deposits, Local Authority bonds, Finance House Deposits, Company Deposits, Discount market, Treasury Bills, Eligible Bank Bills, Fine Trade Bills. Rows include 12-month, 6-month, etc.

NEW YORK

Table with columns: New York, Fed Funds, Treasury Bills (13-week), Treasury Bills (28-week), Treasury Bills (52-week), GERMANY, Overdraft Rate, One month, Two months, Six months, FRANCE, Discount Rate, Overnight Rate, One month, Two months, Six months, JAPAN, Discount Rate, One month, Two months, Six months.

“Have you heard the one about the farmer who needed a combine harvester, and the bank manager who only bought him the back wheels?”



There was this combine harvester, you see. And this farmer who saw it at an agricultural show and wanted to have one. Only trouble was, the combine harvester was so big, it could handle a farm three times as big as his. Still, he went to his bank manager and said, "Bank manager, I want a great new combine harvester; but it's so big, it could handle a farm three times as big as mine?" So the bank manager thinks hard and says, "I've got this good idea! Why not just buy a third of it?"

A third of a combine harvester! What a joke, eh? Don't you think? Well, you're wrong. Because with a Midland Bank manager, you should begin to expect the unexpected. For instance, a Midland manager can offer farmers a special scheme, called the Agricultural Machinery Syndicate Loan Scheme, which allows farmers who form groups to acquire important new machinery between them and share the cost. Whether they are Midland customers or not. So the farmer in the story really could

have bought a third of his beloved machine. Which isn't funny, but it's pretty useful. Your Midland manager has at his disposal a range of specialist services which can, between them, help to answer your business problems. So that you can often improve your efficiency without crippling capital costs. Start thinking of your Midland manager and his team as the people to deal with your business needs. Because, thanks to teamwork, you can expect us to come up with a lot of ideas you'd never expect.

Agricultural Machinery Syndicate Loan Scheme

Please send your free leaflet(s),
 'Agricultural Machinery Syndicate Loan Scheme'
 '20-year Farm Purchase Loan Scheme'
 and/or your free booklet,
 'Financial Services for Proprietors of the Smaller Business'

Name _____
 Address _____

Send to: Midland Bank Limited FT21/54
 Room 25, PO Box 2, Sheffield S1 3GG

You can expect the unexpected from Midland teamwork



Midland Bank
Midland Bank Limited

John 15/84

Handwritten note in a box: 150000

INTERNATIONAL COMPANIES and FINANCE

Continents and Markets

NORTH AMERICAN NEWS

Uniroyal finds prospective buyer for footwear section

BY JOHN WYLES IN NEW YORK
UNIROYAL, the third largest U.S. tyre producer, has managed to find another prospective buyer for most of its loss-making footwear business.

challenge from Oxalaga International Enterprises, a private company whose agreement to buy the Uniroyal footwear business earlier this year foundered on "split-trust and other considerations".

No firm offer yet by Exxon

BY OUR NEW YORK CORRESPONDENT
RELIANCE ELECTRIC, the Cleveland-based company which has had merger talks with Exxon, the largest U.S. oil concern, made it clear yesterday that no firm agreement on a deal has yet been reached.

Industrial logic for Schlumberger

BY STEWART FLEMING IN NEW YORK
SCHLUMBERGER is one of Wall Street's best known glamour stocks, at least by name. But many of those investors who have made hefty profits backing the company on the New York Stock Exchange would be hard pressed this morning to explain why a company in the oil drilling services industry should want to spend \$500m buying the fifth-largest semi-conductor company in the U.S., Fairchild Camera and Instrument.

Loeb Rhoades Hornblower takes a similar view arguing that Schlumberger sees itself as an electronics or measurement company.

has manufacturing facilities in both the U.S. and France. Last year the company reported sales revenues of \$2.7bn and net income of \$502m.

easy or difficult it will be to get it out. With the boom in oil exploration, the company has market and it has the profits market and it has the profits market and it has the profits market.

Decision near on Hoover option

BY OUR NEW YORK STAFF
HOOVER COMPANY is expected to reveal towards the end of this week whether it will spend \$21.5m exercising its right to purchase 1.1m shares from a former chairman of the company, Mr. Herbert Hoover.

game, and if it is as determined as it appears, it doubtless has other shots in its locker. The Hoover management, moreover, does not have a very straightforward decision to make on the share purchase.

American Cyanamid optimistic

BY JOHN WICKS IN ZURICH
EARNINGS OF American Cyanamid should show a further increase in 1979, Mr. James G. Affleck, chairman and president said yesterday.

forecast to be about \$3.1bn for this year, a 10 per cent increase on 1978, Mr. Affleck indicated.

Flexi-Van to buy Seaboard World Air

NEW YORK—Mr. Leo L. Mellam, chairman and chief executive of Flexi-Van Corporation said Flexi-Van plans to acquire Seaboard World Airlines for \$18.25 a share cash or a total of \$124m.

INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published in the second Monday of each month.

Table with columns: Issued, Bid, Offer, Change on day, Yield. Rows include STRAIGHTS, EUROPEAN, SWISS FRANC, and I STRAIGHTS.

AMERICAN QUARTERLIES

Table with columns: Fourth quarter, 1978, 1977, Revenue, Net profit, Net per share. Rows include AMERICAN STORES, CAMPBELL SOUP, COMMONWEALTH EDISON, FLEMING COMPANIES, and TAPF BROADCASTING.

INTERNATIONAL CAPITAL MARKETS

Dollar FRN prices firm in active trading

BY FRANCIS GHILES
MOST SECTIONS of the Eurobond markets were quiet yesterday with the exception of dollar denominated floating rate notes (FRNs) where turnover was good and prices very firm.

International. Indicated terms are expected to include a minimum coupon of 7 per cent and an interest rate of 1 per cent over six-month Libor rate.

Swiss franc continues unabated. Banca del Gottardo is arranging a SFr 100m ten-year issue for the Council of Europe.

Prices in the Deutsche-Mark sector were firmer. This upward movement is explained by the decision last week to call a pause in new DM-denominated issues until the end of May.

U.S. lenders attracted by Chilean utilities

BY OUR EUROMARKETS STAFF
DESPITE political opposition in Washington, U.S. banks are stepping up their lending activities in Chile, particularly in the highly visible area of publicly syndicated Eurodollar loans.

Chilean utility, Empresa Nacional de Electricidad. The utility is seeking a medium-term credit of \$60m and is currently reviewing no less than 17 offers.

Chilean borrower is expected to award a mandate to a single bank or group of banks to arrange the loan later this week.

manager in a \$42m loan to the Chilean state steel company, Comanbia de Acero del Pacifico.

Advertisement for INTERNATIONAL INVESTMENT BANK, MOSCOW. U.S. \$175,000,000 Medium Term Loan. Managed by The Sumitomo Bank, Limited. Funds Provided by The Sumitomo Bank, Limited, The Long-Term Credit Bank of Japan, Limited, The Mitsubishi Bank, Limited, The Mitsui Bank, Limited, The Nippon Credit Bank, Ltd., The Sanwa Bank, Limited, The Tokai Bank, Limited, The Taiyo Kobe Bank (Luxembourg) S.A., The Hokkaido Takushoku Bank, Limited, The Kyowa Bank, Ltd., The Mitsubishi Trust and Banking Corporation, The Toyo Trust and Banking Company, Limited.

ARE YOU JUST TOO BUSY EARNING MONEY TO BECOME WEALTHY?

Year after year inflation keeps the real value of your money going down. And year after year, the average British salary lags further and further behind the European average.

No wonder you find it hard to earn the kind of living you feel you're entitled to. And with direct taxes among the highest in Western Europe, it can seem almost impossible to put

aside money to create any real wealth for yourself. But it can be done, if you know how. And if you know who.

At Equity & Law, we can

show you how it is possible to save some money with the help of the taxman—how he will add to the money you set aside. Money which will then be invested on your behalf to provide a worthwhile lump sum or income, often entirely tax-free, in future years.

So later in life, when you can really appreciate it, you will have the wealth you've worked hard for. All with the help of the taxman.

Why not talk to your financial adviser today. Or contact your nearest Equity & Law Office. Don't delay. It's never too soon to start getting rich.



Equity & Law

Equity & Law Life Assurance Society Limited, 20 Lincoln's Inn Fields, London WC2A 3BS.

West German retailer lifts sales

BY GUY HAWTIN IN FRANKFURT

EARNINGS of the West German stores group Kaufhof are expected to be satisfactory this year but the profits performance will be limited by the costs of substantial expansion.

Herr Gottfried Nagel, management board member, explained to the annual press conference that Kaufhof planned to add eight new department stores to the existing network of 188. As a result, investment in fixed assets this year would increase steeply to DM 220m from the DM 124m spent in 1978.

Reporting on progress in the first four months of this year, the company pointed out that sales figures from Kaufhof's retailing side, suggest that the German shopper continues to trade down. Sales growth here has easily outstripped the group's department store operations.

Kaufhof's sales during the four months rose 8.6 per cent to DM 474m compared with the same period of 1978. Even when allowance is made for increased sales space, the rate of increase was 7 per cent.

In contrast, sales recorded by the department stores of Kaufhof AG went up by just 0.9 per cent during the same period to DM 1.75bn. Allowing for a reduction in the company's sales space, the growth was still an unimpressive 1.5 per cent.

Total group sales for the first four months of the year rose by 2.4 per cent compared with the same period of 1978 from DM 2,17bn to DM 2,22bn (\$1,15bn). At the same time overall sales space rose by 0.2 per cent.

These figures do not include the group's substantial travel

business whose financial year starts November 1. Its performance during the first six months (to April 30) shows the volume of bookings running at 20.1 per cent above the level of the comparable half of the previous business year.

The Kaufhof management said that it was satisfied with business development overall during the first four months of 1979. Furthermore, the group celebrates its centenary this year and the management is hoping for good profits, although the oil price rise could have some negative effect upon sales.

Earnings in 1978 were described as very good. Net profits went up 7.5 per cent from DM 50.7m to DM 54.5m last year. At the same time, group turnover rose 4.2 per cent to DM 7,39bn, while sales space increased by 0.5 per cent.

Last year also saw the steepest sales gains in the "no frills" sector. Kaufhof's sales rose 7 per cent to DM 1.1bn compared with Kaufhof AG's 2.5 per cent increase to DM 5.6bn.

On the travel side, sales during the 14 months to December 31—bringing travel accounting into line with the group as a whole—totalled DM 307m. Growth calculated on the 1978 business year worked out at 24 per cent.

Kaufhof is to raise its dividend from 12 per cent to 16 per cent for 1978. In cash terms it will go up from DM 6 per DM 50 nominal share to DM 8. One DM-Mark per share is being paid as a normal dividend increase after an improved business year, while the other takes the form of a DM 1-per share centenary bonus.

Boost for Norwegian shipping line

By Fay Gjester in Oslo

NORWAY'S largest shipping concern With, Wilhelmsen, reports increased freight earnings and profits for 1978. The annual reports comments, however, that profits were modest in relation to the scale of activities and capital costs, following a high level of investment over recent years.

No improvement is expected this year, mainly owing to the uncertain oil rig market and the situation in Iran, delayed deliveries of some ships and the 1980, however, the concern believes that its extensive new building, and conversion programme will begin to pay off.

At present it has five ships under construction at Norwegian yards. Two are earmarked for Barber Lines—a Wilhelmsen subsidiary in which Swedish and British interests are minority partners.

Gross freight earnings in 1978 reached Nkr 2,17bn, some Nkr 318m up from a year earlier. Profits before interest and depreciation, were Nkr 415m (\$79.5m), a rise of 24 per cent.

Profits setback for Spanish builder

BY DAVID GARDNER IN MADRID

SHARPLY lower profits are reported for 1978 by Dragados y Construcciones, Spain's largest building contractor and the eighth biggest in Europe.

Last year group returns fell by 29 per cent to Pta 1.6bn (\$242m) from Pta 2,285m. During the year the Spanish construction industry as a whole saw turnover dip by almost 4 per cent with a significant reduction in jobs as a result.

Foreign contracts accounted for nearly 15 per cent of sales last year, a sizeable number of which arose in Iran, where Dragados participated in building the Bandar Abbas shipyard. All its Iranian contracts, however, have been honoured by the new regime.

The Spanish Government is looking at the building sector with particular interest both because of a high rate of unemployment and because its health provides a strong indicator of the state of Spanish industry as a whole. At the beginning of the year—shortly after announcing new general elections—the government earmarked a further Pta 90bn for public housing in a bid to stimulate private investment.

Public investment in the sector is due to rise 16.7 per cent this year, but on present projections this will still not represent more than 20-22 per cent of total new investment. While a key problem is the insolvency of public authorities, which owe the industry some Ptas 40bn and inhibit contractors from bidding for public contracts, it is the drop in private investment which is crucial to the industry's prospects.

Investment in motorways and tourist complexes has come to a halt and hold-ups in the approval of the new energy plan for 1977-87 have continued, blocking large contracts for nuclear power plants.

This latter situation ate into the profits of companies like Dragados last year, and caused heavy losses elsewhere in the industry.

The industry is financing over 40 per cent of its production on short-term loans at an effective interest rate of 18 per cent. Dragados managed to limit the impact of the recession by carefully selecting new projects and soaking up some 40 per cent of all foreign contracts won by Spanish contractors.

Varta to raise dividend

By Our Frankfurt Correspondent

VARTA BATTERIE, West Germany's largest battery manufacturer, is proposing to increase its dividend for 1978 from 12 per cent to 16 per cent. This is despite the fact that world sales during the year rose by only 1.4 per cent on the 1977 performance to DM 1,21bn (\$282m).

Last year was the first that the battery manufacturer has operated completely independently. Until 1977's reorganisation by the Qantel concern—the major shareholder—was run under the wing of a holding company, Varta AG. Figures for the year are not strictly comparable. However, Varta Batterie's battery-making and plastics operations reported a net profit of DM 32m. After allocating DM 10m to reserves, the management is proposing to distribute DM 11.8m as dividend.

This year the management is forecasting a sales increase of about 10 per cent worldwide. Earnings, they hope, will remain in similar proportion to 1978's performance.

Sales in the first three months of 1979 rose 13 per cent worldwide and 9.3 per cent at the Varta domestic plants. Earnings, however, failed to keep completely in step with sales growth.

The group had not only benefited from the general economic improvement, according to the management, but from the hard winter which pushed up motor starter battery sales.

It is hoped that Varta will benefit from a more stable dollar this year. In 1978 the increase in the value of the DM against the dollar not only made competition considerably tougher but also disguised the positive performance of overseas subsidiaries.

Bawag expands into the co-operative movement

BY PAUL LENOVAI IN VIENNA

BAWAG, the Austrian bank which has acquired the Konsum-Bank, the banking outlet of the powerful consumer co-operative movement which in turn is going to increase its shareholding in the Bawag from the present 30 per cent to an estimated 35 per cent.

The merger between Bawag, with a balance sheet of Sch 51.5bn (\$3,560m) at the end of 1978 and the Konsum-Bank with Sch 2.4bn is described as a "completely natural" development, helping the entire co-operative movement. This latest expansion for Bawag, which last year recorded the fastest growth rate among Austrian credit institutes, is likely to give a new push to competition in Austrian banking.

The deal leaves Bawag with assets in an additional 750,000 households which, in one way or another, are connected with the Konsum. The Konsum-Bank has three branches. It was stressed today that the merger was not motivated by consideration of opening more branches. Nevertheless, it is evident that Bawag will be able to strengthen its position in the fight for "the little man's money."

Bawag will acquire a 75 per cent holding in the Konsum-Bank which will be transformed from a limited liability company into a joint stock bank. The 25 per cent balance will be retained by the Konsum Oesterreich.

As both Bawag and Konsum are basically controlled by the same groups, some Austrian bankers have expressed concern at what they regard as the "further spread of indirect socialist control over the financial markets."

Net profits of Siemens AG Oesterreich emerged from 1978 at Sch 101.32m, compared with Sch 76.2m a year earlier. Turnover was Sch 7,49bn against Sch 6,45bn. The company expects a 10 per cent increase in business in the current year.

Dividend for last year is maintained at 8 per cent plus a 4 per cent special bonus to mark the 100th anniversary of the company's operations in Austria.

Volvo Car output targets stepped up

By Our Financial Staff

SWEDISH-DUTCH-owned car-maker, Volvo Car BV, has managed to get its losses back on course and is planning to step up production targets.

Output this year is expected to rise to 89,000 vehicles against an earlier forecast of 85,000 and the 64,500 units produced in 1978. The improved trading background has meant that the company is back to budget in terms of losses this year having slipped deeper into the red during the early months of 1979.

The company said yesterday that long-term policy foresees a possible return to a profit of Fl 14.3m (\$6.94m) in 1983 but a continuation of the current production and sales "trend" could produce the break-even point at an earlier date. Last year overall losses for the three years 1978-1980 were estimated at Fl 237m.

Pehr Gyllenhammar, AB Volvo managing director, said in the annual report negotiations had resumed with the Dutch Government aimed at a mutual agreement on a long-term solution to the problems of Volvo Car BV. A Volvo Car spokesman said an annual production level of 100,000 vehicles is within reach and could come next year.

Swiss investment funds valued at SwFr 14bn

BY BRIJ KHINDARIA

THE TOTAL value of Swiss investment funds is estimated at SwFr 14bn (\$8,060m) by the Swiss Credit Bank. This figure includes some SwFr 3.4bn—or roughly a quarter of the bank's own investment funds.

Reporting on the performance of one of the funds, the Swiss shares fund which invests in

Swiss Bourse increases volume

BY JOHN WICKS IN ZURICH

TURNOVER on the Zurich Stock Exchange increased sharply during the first four months of this year, partially as a result of the lifting in January of restrictions on non-residents' purchases of Swiss securities.

In the four months turnover rose by 14 per cent to SwFr 40,42bn (\$23,21bn) from the SwFr 35,58bn level of January-April, 1978. The total number of bargains was 90,461 compared with 83,918. The Basle Stock Exchange books a jump in turnover for the same period from SwFr 7.5bn to SwFr 9bn, with the bargain total up from 25,057 to 28,598.

EURO-CLEAR and Cedel SA, the two bond dealing clearance systems, have established a data communications link for transmitting and receiving instructions. This move, a further step in a programme to improve inter-system transactions, will permit more reliable computerised exchange of information on settlements between the two international clearing systems.

CEMENT industry holding company Holderbank Financiere has asked the Philippine government for approval to acquire a 22.6 per cent stake in the Iligan Cement Corporation, of the Philippines. A further shareholding equal to 15.2 per cent of the Iligan capital is to be acquired by Green Island Cement Company, of Hong Kong.

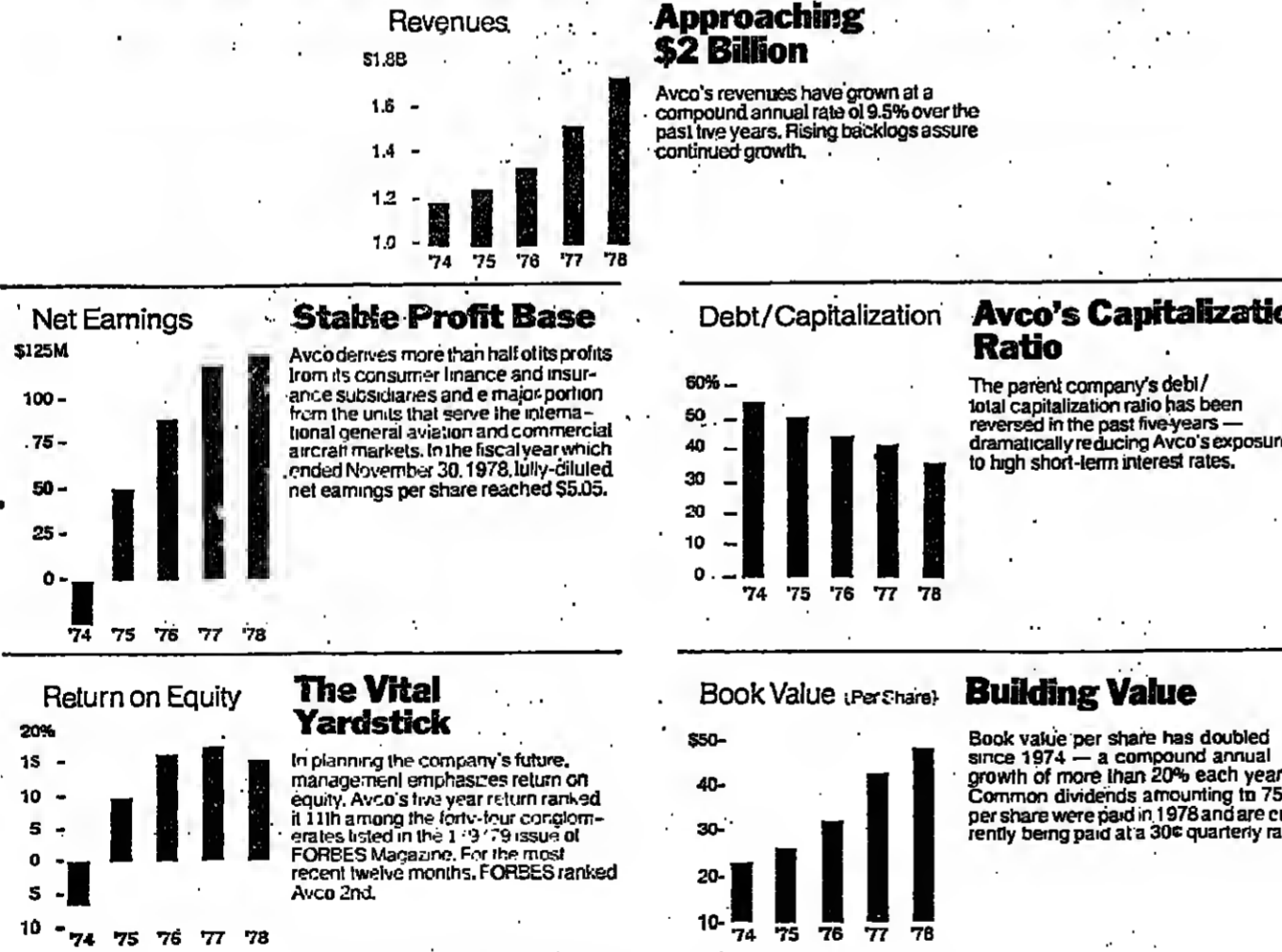
The share transactions are to take place in connection with

a capital increase at Iligan. Holderbank is already reported to hold a 40 per cent share in Pacific Cement Company of Manila, which, like Iligan, operates a cement works in Mindanao.

THE TRAVEL agency concern Reisebuero Kuoni recommends an unchanged dividend of 12 per cent following an improvement in net profits from SwFr 3.12m to SwFr 3.43m.

World turnover of the Kuoni group, one of the biggest international travel-agency networks, went up last year by 4 per cent to SwFr 732m. Had there been no alteration in exchange rates, however, the increase would have been of some SwFr 65m over the year instead of the SwFr 31m recorded.

Avco: Performance & Perspective.



Highlights of the Quarter Ended February 28,

	1979	1978
Revenues	\$451,803,000.	\$384,294,000.
Earnings Before Extraordinary Tax Credits	28,451,000.	28,067,000.
Extraordinary Tax Credits	1,473,000.	1,154,000.
Net Earnings	\$ 29,924,000.	\$ 29,221,000.
Net Earnings Per Share		
Primary	\$2.04*	\$2.21
Fully Diluted	\$1.23	\$1.21
Stockholder's Equity Per Common Share	\$48.55	\$43.75

*Average number of shares outstanding increased to 13.1 million shares in 1979 compared to 11.7 million shares in 1978 due to voluntary conversions of 9% debentures.

AVCO CORPORATION (NYSE:AV) is a diversified company that offers a wide array of financial, insurance and management services worldwide. It manufactures transportation structures and engines, electronics, farm equipment and other products; performs highly sophisticated research; distributes motion pictures and develops master planned residential communities.

For further information, contact Joanne T. Lawrence, corporate communications department, AVCO CORPORATION World Headquarters: 1275 King Street, Greenwich, Connecticut U.S.A. 06830

Sparkling results from ANZ Bank at mid-year

By JOHN ROGERS IN SYDNEY

THE AUSTRALIA and New Zealand Banking Group, the world's largest of the Australian banking group, has added to its sparkling interim profit season with the announcement of a 51.5 per cent increase in earnings to A\$49.73m (US\$55.3m) in the half-year ending March 31.

The improvement—which was partly due to a solid gain in traditional banking activities—is reflected in a higher dividend and a one-for-four scrip issue, with the new shares trading in the interim payout.

The ANZ now joins fellow competitors, the Bank of NSW and the National Bank, well on the road to record annual results with the nation's two biggest banks—the Westpac and ANZ—rivaling for the honour of being the first Australian bank to earn A\$100m net in the year.

Yesterday's result from the NZ shows that all the banks are less reliant this year on the re-opening profitability of their overseas offshoots. ANZ's subsidiary, Esanda, as already

reported, lifted net profit only 2.19 per cent to A\$12.52m. This helped to raise non-bank division earnings by 11.4 per cent to A\$16.28m. But against this the group's banking division

- The higher half-year earnings resulted mainly from:
- Lower Statutory Reserve Deposits in Australia;
- Improved interest rate margins in Australia and New Zealand;
- Greater recovery of costs through fees and commissions;
- Improved cost control;
- Better foreign exchange earnings in Australia and New Zealand;
- Higher deposit growth in Australia and New Zealand.

showed an 83.7 per cent earnings gain to A\$33.82m. Gross turnover rose by 17.2 per cent, from A\$506m to A\$592.7m (US\$659m). The result was also accompanied by

a 131 per cent increase in the tax provision to A\$33.1m on the banking side, and by a slightly lower A\$12.5m for non-banking divisions.

The interim dividend is being raised from 9 cents to 10 cents a share, which is covered by earnings of 49 cents a share, compared with 38.4 cents in the year-earlier period. The group made a one-for-four scrip issue in March, last year and a one-for-eight rights issue in August.

Extraordinary profits of A\$1.02m on the sale of properties and a surplus on the sale of shares in associated companies of A\$2.72m pushed total earnings to A\$58.46m, compared with A\$34.59m a year ago.

The issue will be made by capitalising part of the share premium reserve. Directors expect future dividends to be not less than 20 cents per share on the increased capital. An extraordinary meeting on June 25 will also consider lifting the bank's authorised capital from A\$125m to A\$200m.

Suzuki Motor better than expected

By Yoko Shibata in Tokyo

SUZUKI MOTOR Company, a leading manufacturer of motorcycles as well as "Fronte" and "Carvo" mini cars, could not fully avoid the impact of the yen appreciation in the year ended last March and despite a 7.1 per cent increase in sales to ¥271.57bn (US\$1.24bn), operating profits dropped by 13.5 per cent to ¥7.53bn (US\$32m) and net profits by 1.7 per cent to ¥3.45bn. However, the company's earnings setbacks were smaller than expected, thanks to rationalisation efforts and export price increases.

Deteriorating export profitability was due partly to exchange losses caused by the Yen appreciation and partly to sluggish export volumes. Suzuki's export ratio to the total turnover declined to 45 per cent from 47 per cent a year earlier.

FOREIGN BANKS IN JAPAN

Clouded outlook for profits

By RICHARD C. HANSON IN TOKYO

MOST FOREIGN banks operating in Japan faced appreciable declines in pre-tax profits in the January-March quarter, and although loan demand may improve during the rest of this year, the outlook for profits remains clouded, according to a survey commissioned privately by the banks.

A steady two-year drop in lending by the foreign banks appears to have ended during the six-month period to March 31. But most of the increases reported were moderate (less than 10 per cent) and in part were the result of the yen's weakness, which increased the value of dollar and Deutsche mark loans in yen terms by about 15 per cent.

The survey covered 33 of the more than 60 foreign banks in Tokyo and was conducted by a private research company in April.

Only six of the foreign banks said that profits had increased over the year earlier quarter, while the decline centred on a range of 21 per cent to 57 per cent of the 31 American banks polled, 13 had their profits down. Only one of the 13 European banks in the survey showed an increase in profit.

Profit projections for the April-June quarter show approximately the same results as in the prior quarter with only six of the bank's surveyed expecting increases. The bigger banks expect smaller declines than the smaller, but as in previous surveys the smaller banks

The German banks are showing the best performance in lending among the foreign banks in Japan—acquiring something of a reputation for aggression, although working in a field where interest margins on lending have generally been reduced.

have greater prospects for increasing profits under present conditions because of lower overhead costs and more flexibility.

The German banks are showing the best performance in lending, acquiring something of a reputation for aggression, despite the reduced margins being put on loans generally. The so-called impact loan to Japanese companies which used to be primarily dollar based are now roughly 50 per cent in dollars, 35 per cent in Deutsche marks and 15 per cent

in other currencies, which partially accounts for the strong German showing.

The majority feeling on lending, according to the survey, was expressed by the comment: "We've got to run pretty hard just to stay where we are." The bankers indicate that inter-

national demand for yen loans was in evidence, but that funding problems still existed.

It is hoped that the development of the Japanese financial market—and in particular the introduction of negotiable rate certificates of deposit (CDs) just last week—will eventually lead to an efficient market for funding and pricing offshore yen loans.

Foreign banks, however, initially have been cautious about the CDs.

Demand for foreign bank lending may gradually improve as a result of Government

monetary policies and the strength of the economic recovery. The Bank of Japan is limiting the growth in lending by Japanese commercial banks as part of a tightening of monetary policy which is generating some spot loans by the foreigners. The survey rules out any dramatic increase in loans.

While private fixed investment by Japanese companies is showing signs of increasing, biggest companies are still enjoying good cash flows and will rely on external financing for a very small portion of their needs.

Profitability during the next few months is expected to be hurt by higher money market funding costs. Foreign banks depend on the money market to fund about 22 per cent of their portfolios—compared with about 11 per cent for the big Japanese banks.

A strengthening of the yen later in 1979 could, as was the case last year, make swap funds more attractive, but the present high cost of swap funds and higher money market rates combined with no strong increase in loan demand indicate a further cut in profit.

Earnings recovery for Teijin

By OUR TOKYO CORRESPONDENT

SHARP swung back to profit after being reported by Teijin, Japan's largest polyester maker, as a leading manufacturer of synthetic fibre, helped by rationalisation measures and recovery in the synthetic fibre market. Teijin achieved an operating profit of ¥11.02bn (US\$3.3m), compared with the previous year's deficit of ¥9.3bn. Net profits were

¥2.23bn, over five times more than the ¥404m a year ago, or sales of ¥337.11bn (US\$1.5bn), down 2.9 per cent.

Japan's domestic markets for polyester, nylon and acrylic fibre benefited from the recession in synthetic fibres. In addition the export price of polyester moved upward. The company's polyester sales accounted for 50 per cent of the

total turnover. With the sharp yen appreciation, Teijin's exports declined by 10 per cent, and the ratio of exports to the total turnover declined by 2.1 per cent to 25.2 per cent.

The company launched its rationalisation measures in April last year. The laying-off of 2,900 workers during the year contributed to the earnings recovery. The company also cut its interest-bearing debt by ¥5.58bn to ¥249.96bn.

Teijin continues to lower its borrowing and plans a reduction of ¥15bn in the current fiscal year. The company plans to provide funds for debt repayment by reducing its capital investment for this year. However, the favourable effect of the reduction of borrowing may be offset by cost increases resulting from the higher OPEC prices.

The full benefits from the cuts in the workforce last year is expected to contribute to earnings in the current year.

Operating profits are expected to reach ¥12bn (up 9 per cent), net profits at ¥9bn (up 10 per cent), on sales of ¥350bn (up 1 per cent).

Sharp rise for Setron

By Georgia Lee in Singapore

SETRON, the major Singapore electronic and electrical goods manufacturer and distributor, has reported sharply increased profits for the year ended December 1978, with the group post tax figure 64 per cent higher at S\$2.97m (US\$1.35m). On a pre-tax basis, profits were 30 per cent higher. Tax was lower at \$1.5m compared with \$1.64m.

Setron—which is currently the target of a takeover bid by Haw Par Brothers International—said that the better profit was due to the substantially higher dividends declared by the group's associate companies.

Setron has declared a first and final gross dividend of 10 per cent.

Sugar fund helps keep C. G. Smith ahead

By JIM JONES IN JOHANNESBURG

C. G. SMITH SUGAR, the integrated South African sugar group, raised its trading profit by 8.8 per cent to R23.8m (US\$2.2m) in the year to March 31, from R21.8m.

The concern, which operates six mills fed by 24,000 acres of cane plantations, was, however, aided by funds from the South African Sugar Association's price stabilisation fund. The fund raised R25m in the money market after the industry as a whole had incurred a R19.5m deficit in the 1978-79 season. For the current year, Mr.

F. R. Jones, the chairman of C. G. Smith foresees an even greater deficit for the industry, with sugar prices and production restrained by world oversupply.

On lower dividend income from investments in other sugar producers and a tax bill of R10.8m, against R9.1m in 1977-78, the company's earnings per share fell from 106 cents to 97 cents to 95 cents. This was accompanied by a 5 cent dividend cut to 70 cents. In Johannesburg, the share is currently trading at 600 cents.

Turnover boost permits higher Lion Match payout


By OUR JOHANNESBURG CORRESPONDENT

LION MATCH, the 60 per cent-owned South African subsidiary of Wilkinson Match, has declared a pre-tax profit increase of 19.5 per cent to R6.57m (US\$7.5m) from R5.53m. Turnover improved 10.4 per cent to R39.4m for the year to March 31, 1979.

From earnings per share of 39.78 cents (compared with 34.89 cents in 1978), total dividends of 25 cents (1978: 17.5 cents) have been declared for the year, including a five cent special non-recurring dividend. Lion's stated policy is to

diversify through acquisition. Although Lion Match earnings are currently over 25 per cent of total, the eventual target is to raise the contribution to 50 per cent, through acquisitions in the fast-moving consumer goods field where Lion's expertise lies.

The company's preliminary report states that the five cent dividend should be considered as a bonus and in no way affects Lion's acquisition policy for which adequate resources remain. At 310 cents in Johannesburg, the share yields 8.1 per cent.




THE SAITAMA BANK, LTD.

Negotiable Floating Rate U.S. Dollar Certificates of Deposit

Maturity date 23rd November 1981

In accordance with the provisions of the Certificate of Deposit notice is hereby given that for the six-month interest period from 21st May 1979 to 21st November 1979 the Certificates will carry an Interest Rate of 11 7/8% per annum.

Agent Bank
Kleinwort, Benson Limited



The Bank of Tokyo, Ltd.

U.S. \$40,000,000 Floating Rate Notes Due 1980

For the six months 22nd May, 1979 to 23rd November, 1979 the Notes will carry an interest rate of 11 7/8% per annum.

Listed on the Luxembourg Stock Exchange.

By: Morgan Guaranty Trust Company of New York, London Agent Bank

Goodyear Malaysia

By Wong Sulong in Kuala Lumpur

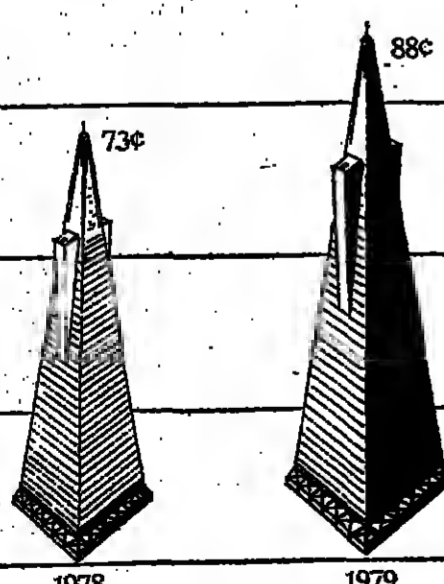
GOODYEAR Malaysia Berhad, the tyre manufacturer, raised after-tax profits by 17 per cent last year to 7m ringgit (US\$3.2m)—buoyed by a strong demand for cars. The company did not reveal sales figures.

Tengku Shahriman, the co-chairman, said that the company expected a better year in 1979. The 35m ringgit expansion programme would be completed later this year and the plant outside Kuala Lumpur, would increase its production from 9.51m kilos to 14.85m kilos.

The company recently introduced its Grand Prix S tyre, which is expected to make inroads into the steel-belted car tyre market while its G800 Grand Rally tyre maintained its position as Malaysia's best selling radial fabric tyre.

Transamerica Record First Quarter.


Period Ending March 31, 1979




Transamerica's first quarter 1979 operating income was a record 88 cents per share, a 20.5 percent increase over the first quarter of 1978.

Most Transamerica subsidiaries participated in the earnings gain. Record first quarter performances were turned in by life insurance, property/casualty insurance, consumer lending, entertainment, travel and manufacturing operations.

For our 1978 annual report and latest quarterly report, please write: Corporate Relations Department, Transamerica Corporation, Box 7648, San Francisco, CA 94120.



This advertisement appears as a matter of record only.



Mass Transit Railway Corporation Hong Kong

U.S. \$200,000,000 Ten Year Loan Facility

arranged by

Manufacturers Hanover Limited

Chemical Bank International Group Orion Pacific Limited Standard Chartered Bank Limited

The Bank of Tokyo, Ltd. Banque Nationale de Paris

Commerzbank Aktiengesellschaft Deutsche Bank (Asia Credit) Limited

Dresdner (South East Asia) Limited Lloyds Bank International Limited

The Long-Term Credit Bank of Japan, Limited Toronto Dominion Bank WestLB Asia Limited

provided by

The Bank of Tokyo, Ltd. Banque Nationale de Paris Chemical Bank Commerzbank Aktiengesellschaft

Deutsche Bank (Asia Credit) Limited Dresdner (South East Asia) Limited LBI Finance (Hong Kong) Limited

LTCB Asia Limited Manufacturers Hanover Trust Company Orion Pacific Limited

Standard Chartered Bank Limited Toronto Dominion Investments (HK) Limited WestLB Asia Limited

Canadian Imperial Bank of Commerce Fuji Kwong On Financial Limited Mitsubishi International Finance Limited

RoyEast Investments Limited—A Member of The Royal Bank of Canada Group The Sanwa Bank, Limited Tokai Asia Limited

Australian European Finance Corporation NV The Bank of Yokohama Ltd. Banque Canadienne Nationale (Bahamas) Limited

Baring Brothers Asia Limited The Commercial Bank of Australia Limited, Port Vila Commonwealth Trading Bank of Australia

DG Capital Company Ltd.—Wholly-Owned Subsidiary of DG BANK Dai-ichi Kangyo Finance (Hong Kong) Limited The Daiwa Bank Limited

Kyowa Finance (Hong Kong) Limited MAIBL Bermuda (Far East) Limited Manufacturers Hanover Asia Limited

Mitsui Finance Asia Limited The Northern Trust Company Saitama International (Hong Kong) Limited

Sanwa International Finance Limited The Sumitomo Bank Ltd. Takugin International (Asia) Limited

Taiyo Kobe Finance HongKong Limited

April, 1979

THE JOBS COLUMN

Hope to reverse Dane-drain • Six more

BY MICHAEL DIXON

OF THE things that tickle a journalist pink, few tickle pinker than an international readership. So the Jobs Column hopes to be forgiven for opening today with news that it has been asked to find a youngish Danish banker to work in Denmark.

A Norwegian manager once solemnly assured me that all Danes were mad. He probably meant no offence, of course, because there is a bit of a Knut in all of us.

But if he was right, then I feel sure that Danes must be mad in the nicest way, and especially the bankers among them. The reason is that I changed some currency with one at Copenhagen airport on my first visit to Denmark.

When the bus to the city was well on its way, the guard asked for my fare. I handed him a note with a 10 or something on it.

He plunged hand into cash-bag and came up with a leaflet, which he pondered for some seconds. Then he gave me my ticket and a number of notes which added up to considerably more than 10, which surprised me.

So I looked at the notes

doled out by the airport banker. For some reason he had given me, not Danish crowns, but Dutch guilders. As exchange rates were in those days he had precisely doubled my money.

By the time I returned to the airport four comfortable days later, conscience had triumphed over greed. So I went up to the same cubicle, cheque book in hand, and offered to repay the bonus of £30 or so. But the same cubicle contained a different Danish banker.

He was happy to pass the time of day. No nonsense would he have, however, about repayment.

It didn't do to argue. After all, this unusual but pleasant practice may spring from some deep sense of guilt that Danish bankers do not like to talk about. They might still feel bad, for instance, about the expensive damage done over here by their ancestors.

Even so, although the world's overdrain could doubtless do with a lot more bankers of that kind, I suspect that such altruism is not being avidly sought by Gregg Hope, a personnel planner as well as a recruiter by all accounts, with the Bank of America. The 27-, 35-year-old Dane he wants for the bank's Copenhagen branch will incline rather towards shrewdness.

The reason Mr. Hope comes to the Financial Times is that he is under the impression that Danish bankers as per specification tend to feel the Viking urge in their mid-30s and go off to forage abroad, albeit bloodlessly. And he is hoping that some of these will read the column and promptly feel homesick.

They will do so in vain, however, unless they have at least five years successful experience gained in and around international banking, including the supervision of administrative work.

Whoever gets the job will have broad responsibilities on the operations side covering all non-lending activities of the branch, which is the Bank of America's main centre in Scandinavia. Salary is not disclosed, but I would estimate it must be at least enough to have a standard-of-living value in Copenhagen of the equivalent of about £10,000 in London.

Since banking is a respectable business, non-Danish readers are hereby admonished to refrain from indulging in tasteless jokes, such as wondering whether that level of salary will be sufficient to bring home the bacon. Danish readers can send career details to Gregg Hope at 25, Cannon Street, London EC4P 4HN: telephone 01-338 2010; telex 889258.

Bulk order

NOW to a batch offered by head-hunter Malcolm Campbell of Mann Judd Management Consultants. Since in the first two cases he may not name the employer, he will abide by applicant's request not to be identified to his client until permission has been given.

A "wirework factory in the Black Country" is Mr. Campbell's darkly romantic phrase for the workbase of the commercial manager he seeks for a longstanding family business. Someone of entrepreneurial inclination is desired because the owner is evidently not looking for a great personal return from the company, and leaves its development largely to its managers.

There is no age restriction for this job, but candidates should have done well on the sales side and preferably have an engineering background. Starting "remuneration" will be around £10,000. Perks include a car, and there is an equity stake in prospect.

Mr. Campbell's second client—a Lloyd's broker in London—is in need of a group chief accountant. About five years or more in a senior financial post is wanted, preferably in the insurance area, and ideally in

some other Lloyd's broker. Salary up to £15,000; car. The job carries with it the financial directorship of one of the group's subsidiaries.

The third of the batch is an assistant research manager's post in London with Malcolm Campbell's business parent, chartered accountants Mann Judd. Responsible to the firm's national research manager, the newcomer will help in keeping abreast of technical developments. He or she will almost certainly be a chartered accountant, probably qualified about three years ago, and willing to accept a salary of £8,000.

The firm also wants a newly qualified chartered secretary with at least three years' experience in the accountancy profession or industry or other commerce and a broad knowledge of company law. The work will include most aspects of company-secretarial practice including formation of companies, the maintaining of statutory books, share-registration procedures, and voluntary windings-up of businesses. Salary £5,000-£6,000.

Mr. Campbell's concluding offer is for a consultant to join him on the head-hunting side at a salary of £9,000 or so. Candidates need experience of executive-recruitment, and an adept accountant-snatcher would have an advantage.

Applications with outline of career to Malcolm C. at Mann Judd Management Consultants, 35 New Oxford Street, London WC1A 1BX: tel. 01-836 6800; telex 23173.

Turbines

ROD McKENNA of West One Selection is looking for an applications manager on behalf of an American-owned manufacturer of gas turbines for industrial and similar use. Headed by the systems engineering department based in London, the recruit will be responsible for matching potential customers' needs, wherever possible, with the group's product-range.

Travel to Scandinavia and the rest of Europe, the Middle East, West Africa and the United States will be fairly frequent. Candidates must be graduate engineers aged 30 or more with first-hand knowledge of project engineering and associated marketing, and experience in similar work at management level with either a manufacturer or contractor. Salary about £12,000; car.

Further details from Mr. McKenna (who gives the usual promise about non-identification) at 81, Berners Street, London W1: telephone 01-636 5791; telex 28604 ref. 3013.

Sterling Money Market Local Authority Dealers

PHILLIPS & DREW, established in the Local Authority Market since 1952, are seeking to expand their existing team. Vacancies exist for trained dealers with two or more years experience, plus one exceptional trainee.

Competitive five-figure remuneration including bonus and profit-sharing schemes, according to experience.

Please write in the first instance to:

The Staff Manager, Phillips & Drew, Lee House, London Wall, London, EC2Y 5AP.

Top Banking Management Saudi Arabia

A major bank in Saudi Arabia requires two Senior Bankers to assume top management positions at the corporate level.

Adviser
Should be an individual with extensive experience in general banking who has held operating and top management positions in commercial and international banking. A mature and strong personality is most important, together with a capacity to advise the General Manager and other senior executives in the bank on a wide range of technical and administrative issues concerning the bank's activities in Saudi Arabia and abroad.

Investments Department Manager
Should be an experienced international banker with practical experience in short and medium-term Euro-currency lending, new issues, secondary market dealing, loan and bond syndication, money market operations and foreign exchange dealing.

An extensive knowledge of key capital markets is essential, coupled with a wide range of contacts in the banking and corporate world. Main responsibilities will consist of working with the Assistant General Manager International, to formulate the bank's policies in the above-mentioned fields and subsequently execute such policies through the direction and control of the investment department's activities.

There is an attractive compensation and benefits package for both positions. Salary is commensurate with qualifications and experience. Successful candidates will receive suitable furnished housing, car, medical and school fees and others consistent with other top employees in the Kingdom.

Candidates with suitable experience and qualifications are invited to submit their curriculum vitae in confidence to Position Number AWT 7315, Austin Knight Limited, London W1A 1DS. Applications are forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter to the Position Number Supervisor.

AK ADVERTISING

MANAGEMENT CONSULTANCY ACCOUNTANTS & BUSINESS GRADUATES

£8,000—£11,000 + Car

TOUCHE ROSS & CO. MANAGEMENT CONSULTANTS, seek financially numerate consultants for their London-based team.

The work is primarily concerned with the resolution of organisation and control problems in the financial, operational and systems areas. Our clients include small businesses, multi-national corporations, international leading agencies and government departments. Most of the work is in the UK but consultants may be assigned to overseas projects for which generous supplements are paid.

Selection criteria include: a first degree; a professional qualification or business degree; and a minimum of three years business experience.

Please send a comprehensive career résumé, including salary history, to R. W. Owen, quoting ref. 978

Touche Ross & Co. Management Consultants

4 London Wall Buildings, London, EC2M 5UJ. Tel: 01-588 6644.

PRINCIPAL STERLING DEALER

London c.£9,000

A key appointment has arisen in the Financing Manager's Department at High Holborn in London that offers potential for an enthusiastic and commercially motivated accountant or business graduate.

The post carries responsibility for the day to day operation of the industry's sterling money desk involving direct dealings with the London money market. The successful candidate will have acquired experience of dealing either in the local authority or inter-bank inter-company markets and be able to communicate effectively with senior management.

The salary is within the range £8005-£9325 (inclusive of Inner London Weighting) plus current self-financing productivity payment and the benefits normally expected of a large progressive organisation. Please write, quoting ref. F/220001/FT, giving full details of age, qualifications and experience to the Senior Personnel Officer (London), British Gas, 59 Bryanston Street, London W1A 2AZ. Closing date for applications 5th June 1979.



ANALYST MANPOWER PLANNING

Required by very large of company to work in the Middle East. Applicants should have at least HNC or equivalent degree in Business Studies, with over 5 years full time experience in Manpower Planning. Experience in computer systems will be beneficial. The job entails drawing up the annual Manpower Plan for this very large corporation, salaries and conditions of employment.

Please call 01-629 8370 or 01-629 1612 ext. 179

ONE-OFF OPPORTUNITIES IN STOCKBROKING ASSOCIATE MEMBER S.I.P. COMMISSION

28-35 and seeking higher rewards for the commission you generate. Then client with their fantasized back-up facilities could have an interesting proposition put to you. GO UP ON THE SOUTH COAST. Find us with the rate rise. 28-35 with a good understanding of securities to play well with well established banking, accounting, legal establishments and run an office of 2000sq ft. Call or Manager or partner.

GENERAL SALES MANAGER

Director Designate Home Counties

An internal company, part of a large public group marketing and selling world-wide a complete range of joinery products, requires a professional business man/woman to manage, and in due course assume full responsibility, for its operation and profitability.

Reporting to the Group Managing Director, he/she will have total responsibility for all aspects of running a young dynamic team who in three years have gone from scratch to a turnover of £5m.

Candidates, aged at least 35, must be able to show a successful progressive track record, with an emphasis on sales, but include accountancy, trading overseas, contract negotiations, import/export and shipping in their career to date.

A five-figure salary, usual large company benefits, including a very good relocation package.

Candidates should apply in the first instance (quoting ref. 1680) to:

SFS EXECUTIVES, Recruitment Consultants, Deane Court, West Street, Fareham, Hampshire. Tel. Fareham 235611 (Answerphone out of hours).

MAJOR CALIFORNIAN BANK CREDIT ANALYST

We are currently seeking an experienced analyst to supplement our expanding Corporate Banking team. Candidates should possess an appropriate accounting qualification together with an in-depth knowledge of analysis techniques and the ability to work with the minimum of supervision. Salary is commensurate with experience plus the usual fringe benefits.

Please write enclosing curriculum vitae to Box A.6736, Financial Times, 10, Cannon Street, EC4P 4BY.

DIRECTOR OF FINANCE/BUSINESS MANAGER

A recognised Educational Trust organising children's holidays invites applicants for this top management position. An accountancy qualification or business management studies background is desirable, with post-qualifying experience. This should not deter an unqualified person, with a number of years' practical commercial or management experience, applying.

Salary will be on a suitable point of N.J.C. (Local Authority) Scales, between spinal column No. 28-32.

Applications in writing, enclosing curriculum vitae, together with the names and addresses of two referees, should be forwarded to: The Organising Secretary, Colony Holidays, Linden Manor, Upper Colwall, Malvern, Worcs. WR13 6PP.

SECRETARIAL

P. A. SECRETARY for M.D. PUBLIC CO. £5,500 + bens.

Our client requires a top-flight P.A. who can efficiently organise and supervise the administration of his office and has the ability to liaise confidentially at Director level. Exc. secretarial skills. 25/40.

INTERNATIONAL BANK £5,200 + bens.

This is a full executive secretarial post in every sense, working with a Senior Associate of a small U.S. Bank. Banking exp. desirable but not essential.

This is just one example of our many senior secretarial posts in international banking. Call Brenda Terry on 242 5841. Executive Secretaries Division John Chiverton Associates

SAUDI ARABIA P.A. to M.D. £71,000

For a two-year contract, single status, with free accommodation and car plus usual overseas benefits. Candidates must be competent shorthand typists with commercial experience, prepared to travel immediately. For further details contact: Barclays Executive Appointments Ltd, Elliott House, 28a, Deodar Road, Chelsea, London, W.1. Tel. No. 07-633 2475.

PETROLEUM ENGINEER

Morgan Guaranty Trust Company of New York, a leader in petroleum financing around the world, seeks a Petroleum Engineer to join its Petroleum Department at the officer level. Reporting to the chief petroleum engineering officer at New York City headquarters, the successful candidate will participate in the technical and financial evaluation of oil and gas projects worldwide, working closely with outside consultants, and coordinating and acting as liaison between the consultants and the bank's lending officers.

Minimum qualifications are a B.S. degree in Petroleum Engineering or a related degree, and five to seven years of domestic or overseas experience in the field.

The position offers an unusually attractive compensation package and opportunity for advancement to positions of even broader responsibility. Replies will be treated confidentially and should be addressed to Thomas G. Finck, Vice President, at the address below.

Morgan Guaranty Trust Company 23 Wall Street New York, N.Y. 10015 An Equal Opportunity Employer M/F

CHIEF ACCOUNTANT-NORTH WEST LONDON

Salary negotiable, commensurate with the high level of responsibility and importance of the position

Godfrey Davis (London) Ltd., one of the largest Ford main dealerships in the United Kingdom, with a turnover of £50 million, requires a Qualified Chief Accountant, preferably Chartered to be based at Alperton, Middlesex.

The ideal candidate would be in his/her early thirties to mid-forties, and would have had considerable post qualification experience outside the profession. Whilst not essential, knowledge of the retail motor trade, and of computers, would be desirable.

Please apply in writing to: Mr. G. G. M. Nokes, Group Financial Controller, Godfrey Davis Ltd., Bushay House, High Street, Bushay, Watford WD2 1RE.



Young Lawyer

c. £7,500 + CAR

A young lawyer is required for the position of Legal Adviser and Assistant Company Secretary to this medium sized civil engineering and building contractor which has a sound financial backing within an international group of companies.

Candidates should be aged 26 or over with commercial experience, preferably but not necessarily, covering the firms of contract used within the construction industry.

In addition to advising on a wide range of contractual, commercial and other issues, the successful candidate will liaise with professional advisers, supervise litigation and deal with company secretarial matters.

We offer a good salary and fringe benefits which include the provision of a company car. Garage relocation expenses will be paid where appropriate.

Candidates, male or female, should write with full career details to: A. C. Rees, FCA, Finance Director, Mears, Dorcan House, Dorcan Way, Swindon, Wilts.



Bayer UK Limited is part of the International Bayer Group marketing a wide range of products in the industrial, medical, agricultural and consumer fields.

Credit Controller

This is a new position in a recently restructured accounting function which provides services to our operating divisions at Head Office, Richmond.

The Credit Controller will report to the Financial Controller and be responsible for the implementation and maintenance of an efficient Credit Control system. He or she will participate in the formulation of Credit policy and will supervise the Sales Ledger System and collection of Debtors to agreed terms. The development of the necessary contacts both inside and outside the Company will be an important part of the job.

Applicants should be experienced in the credit control function, preferably members of the Institute of Credit Managers and have the ability to manage a small team and work with a minimum of supervision. Salary negotiable; excellent range of benefits. Please write or telephone for an application form to:

Personnel Department, Bayer UK Limited, Bayer House, Richmond, Surrey TW9 1SL, Tel: 01-940 6077

Bayer thinks of tomorrow—today

CHEMICALS · RUBBER · POLYURETHANES · ENGINEERING PLASTICS · DYES/STUFFS · TEXTILE FIBRES · CROP PROTECTION PRODUCTS · PHARMACEUTICALS · PHARMACEUTICALS, DENTAL & CONSUMER PRODUCTS · VETERINARY PRODUCTS.

Editor, life insurance

The Financial Times Ltd. is seeking an editor for a new life insurance publication. Aimed at insurance professionals worldwide, the publication will cover long-term insurance at the international level, including all corporate, legal, investment and technical developments.

The position will appeal to financial/business journalists with background in, and contacts with the life industry. An international outlook and proven ability to write technically sound reports concisely is essential.

Salary around £8,000

Attractive benefits and excellent career prospects

Write, with details of relevant experience, to:
The Personnel Manager

Financial Times, Bracken House
10 Cannon Street, London EC4P 4BY

FINANCIAL TIMES
EUROPE'S BUSINESS NEWSPAPER

Major N. Y. Stock Exchange Member Firm

is creating a new International Commodity Dept.

Applicants with expertise in trading the following:-

- Commodities
- Sr. & Jr. (1) Precious Metals
- Sr. & Jr. (1) Softs
- Foreign Exchange
- Sr. & Jr.
- Money Market Futures
- Sr. & Jr.

Salaries commensurate with experience.

Please reply to Box F107, Financial Times, 10, Cannon Street, EC4P 4BY.

ACCOUNTING CONTROLLER BERMUDA

Our client, a medium sized construction company, is seeking an Accounting Controller, preferably an ACA with construction industry experience

Please write, giving curriculum vitae to:
The Vallis Building, P.O. Box 318, Hamilton 5, Bermuda

SECRETARIAL APPOINTMENTS

PA to CHIEF EXECUTIVE DIRECTOR

A bilingual English/Spanish assistant with ideally a working knowledge of French for the UK resident director of International Affairs of this Spanish Group of Companies manufacturing and marketing a professional range of electronic equipment. Acting frequently as deputy, you will be fully involved in business planning and contract management for the UK, US and France and will control the day to day administration of the small London office. An ability to prepare financial reports, sales statistics, to handle travel and UK social arrangements are as important as secretarial ability, but the ideal candidate will have shorthand in English, Spanish and French. Salary is negotiable and progressive benefits include pension and assistance with relocation and travelling will be entertained.

CALL ROBERT MILES ON 01-248 6321

Personnel Resources Limited 01 248 6321

£6,000

accountancy appointments

£9,000

Newly/Recently Qualified Assistant to the Financial Director for Europe

£7,750+Car

A new position has arisen in a fast growing supplier of moulded packaging materials. It has revenues currently around \$100m and is confident of maintaining its significant growth.

The need is for a young accountant to assist the Financial Director in controlling the production and marketing companies in Europe. The person appointed will have wide involvement and responsibilities including management reporting, the development of forecasting and planning and a variety of non-routine assignments.

The job is located at the European headquarters in Rushlip, Middlesex and will provide opportunities to travel within the area of operations.

Essentially we will be looking for an individual who could be attracted by the possibility of a Divisional Controliership in perhaps two/three years. Please reply in confidence, quoting Ref. U824/FT giving concise personal, career and salary details to R. G. Biffin — Executive Selection.

AMS Arthur Young Management Services
Rolls House, 7 Rolls Buildings
Fetter Lane, London EC4A 1NL

Financial Controller

25-30 c. £8,000 + car

British controlled trading and processing group, established over a century ago, seeks a young Financial Controller to be directly responsible to its Group Finance Director for effecting significant improvements in accounting systems and cash control throughout the organisation. Salary negotiable around £8,000 a year plus company car. Location East London.

Candidates, probably aged 25-30, will be qualified accounts (ACMA, ACA or ACCA) with at least two years' commercial/industrial experience and presently having overall responsibility for accounting in a company using sophisticated management reporting procedures. Technical competence, application and drive are essential. Prospects are not restricted to the financial function.

For a fuller job description, write to W. T. Agar, John Courts & Partners Ltd., Selection Consultants, 78 Wigmore Street, London W1H 9DQ, demonstrating your relevance briefly but explicitly and quoting reference FT/2068. This is an equal opportunity appointment. Replies will be treated in strict confidence.

JC&P

PUBLIC WORKS DEPARTMENT ASSISTANT DIRECTOR

This advertisement appears with the permission of the New Towns Staff Commission.

Finance/Administration

(£7,044-£7,788 p.a.) Applicants for this newly created post should have a commercial accountancy background and be eager to accept the challenge of reviewing, revising and implementing the procedures and controls essential to a viable construction and maintenance organisation, with particular emphasis upon: Financial management of the Department; The extension of computer services to enable the financial viability of each section of the Department to be considered, controlled and directed; Departmental co-ordination and consistency of administrative procedures; Evidence of successful career development, together with formal qualifications, will be required. Application forms are obtainable from the Director of Works, Eden Vale, Sunderland SR4 7LD (Tel. 76235), to whom they should be returned within 10 days of the appearance of this advertisement.

L.A. BLOOM
CHIEF EXECUTIVE

Borough of Sunderland

Financial Analyst c. £5,500

Linguaphone, the world's largest publishers of home study language courses, are looking for a Financial Analyst to prepare key data for both local management and parent company.

Responsibilities will include analysis work on new projects, preparing budget expense accounts, and corporate profit and strategic plan data for forward planning. The successful applicant will possess sound experience of analysis forecasting and the ability to communicate with management at all levels. This vacancy would be ideal for a young graduate near qualifying or studying for final examinations. Salary will be in the range of £5,500 negotiable. Other benefits of working in our superb new Headquarters in Hammersmith include 4 weeks' holiday, BUPA membership, LV's, and season ticket loan.

Linguaphone

Written applications enclosing S.C. to Mrs. R. E. Ellis, Personnel Manager, Linguaphone Institute Limited, Linguaphone House, Beaver Lane, Hammersmith, London, W6. 01-741 1685

MANAGEMENT ACCOUNTANT

QUALIFIED
N. KENT — £7,500
STAFFHIRE (AGY.)
Crayford S192J
(24-hour)

Due to the promotion of our existing Company Secretary to an overseas position within the Group, there is an unexpected vacancy in Rizla Ltd. UK for the position of

COMPANY SECRETARY

Ideally, applicants should be aged between 35 and 50 years and of CA, A.C.A., I.C.M.A. qualification. A command of the French language would be highly desirable though not essential.

The position will command a salary commensurate with experience and will include the use of a company car. Fringe benefits include a contributory pension scheme and private medical cover.

Rizla Ltd. UK is part of an International Group with companies in Belgium, France and the United States and is the world's largest manufacturer of cigarette rolling papers and accessories. The company has an active diversification programme.

The qualities of the individual sought are energy, enthusiasm, discretion, leadership and strong character, and he/she will form an active part of a management team.

Applications to be sent in confidence to:

The Company Secretary
RIZLA LIMITED
Severn Road, Treforest Industrial Estate
Pontypridd, Mid Glamorgan

ACCOUNTANT BERMUDA

REF. 40934
Major Insurance Group requires a qualified Chartered Accountant for their Bermuda office. Excellent conditions of service. Age group 27/35 years.
Salary \$19,000 per annum
Please telephone in confidence:
TREVOR JAMES
I.P.S. GROUP
(Employment Consultants)
01-481 8171

Group Management Accountant

c. £8,000—£10,000 + Car

The Beaverfoam Group comprises a number of expanding private companies, situated within the United Kingdom with a turnover of £5 million, trading primarily in the Polyether foam industry.

We require to appoint a qualified accountant, preferably in the age range 27-35 with previous commercial experience to take up the position of Group Management Accountant. The successful applicant will head a small administration team and in addition to routine accounting work will be required to develop and maintain the financial controls, advise on investment and capital expenditure projects, and be expected to contribute and be involved with the total business activity of the group. This is an excellent opportunity for an enthusiastic person to join a progressive organisation and to participate in its next stage of expansion.
Applicants in writing to:
John P. Rowland, Financial Director
BEAVERFOAM GROUP
OF COMPANIES
Sleaford Road, Morston-in-Marsh, Gloucestershire.

Accountancy Personnel

RECENTLY QUALIFIED Major Quoted Company

CITY to £8,500
It is rare indeed for Public Companies to offer as much responsibility to a newly qualified as in this case, but their expansion rate is such that control of an operating unit could occur in a very short space of time. Ref. (B) 68 CONTACT CITY OFFICE.

FINANCIAL ACCOUNTANT

KINGSTON £8,250
Attractive package including flex-time, Life Assurance, BUPA and sports facilities offered to a young qualified accountant, to control a finance team covering a wide range of activities, from financial accounting to ad hoc projects. Operating within the framework of a large, highly successful Marketing Group. Prospects are excellent. Ref. (B) 65 CONTACT VICTORIA OFFICE.

CHIEF ACCOUNTANT Entrepreneurial Flair

NW LONDON £9,000 + Car
We're looking for an ambitious Qualified Accountant seeking to be totally involved in company management. This market-leader's rapid growth, high profitability and effective management, point well for the future. CONTACT WEST END OFFICE.

Telephone or write:
63/65 MOORGATE, LONDON, EC2 01-628 8525
55 VICTORIA STREET, LONDON, SW1 01-222 0461
14 GREAT CASTLE STREET, LONDON, W1 01-580 8035

Recently Qualified A.C.A.

Central London c.£7,500 + car

This is an exciting opportunity for a recently qualified Chartered Accountant to gain his/her first experience of commercial life. Our clients are a substantial diverse international group (T/O £120m) engaged in service industries and manufacturing. The Group Financial Controller, who heads a small Head Office team, requires a Personal Assistant who will be capable of deputising for him in his absence. The job contains a high proportion of non-routine work in addition to planning, financial accounting and the all-important treasury function. Applicants in their mid 20's will be given every encouragement in this fast moving environment and an appointment to a line position will follow in due course. REF: 1114/FT. Apply to R. P. CARPENTER FCA, FCMA, ACIS, 3 De Walden Court, 85 New Cavendish Street, London W1M 7RA. Tel:- 01-636 0761.

Phillips & Carpenter

Selection Consultants

Bayer UK Limited is part of the International Bayer Group marketing a wide range of products in the industrial, medical, agricultural and consumer fields.

Assistant Management Accountant

We need a part qualified Accountant for our Management and Financial Services Division in Richmond, Surrey.

If you are studying for a recognised accounting qualification, this is a good opportunity to make a real contribution to the Division's effectiveness and to establish a solid career base.

You will report to the Management Accountant and will be responsible for the preparation of monthly management reports and budgetary control and assist in the development and improvement of management reporting systems.

A knowledge of computing would be a definite advantage and you should display initiative and a sense of tact and diplomacy. The salary is negotiable. Excellent Company benefits include Pension Scheme and Private Medical Insurance.

Please write or telephone for an application form to:
Mrs. Hubbick, Personnel Department, Bayer UK Limited, Bayer House, Richmond, Surrey TW9 1SL. Telephone: 01-940 6077.

Bayer thinks of tomorrow—today

CHEMICALS · RUBBER · POLYURETHANES · ENGINEERING PLASTICS · DYES/STUFFS · TEXTILE FIBRES · CROP PROTECTION PRODUCTS · PHARMACEUTICALS · PHARMACEUTICALS, DENTAL & CONSUMER PRODUCTS · VETERINARY PRODUCTS.

Company Accountant Camberley c. £ 6,750

Our client, a substantial Continental company, wish to recruit a capable Accountant for the subsidiary responsible for the distribution of their products in the United Kingdom.

The ideal candidate, who need not be formally qualified, will probably be aged mid-forties to early-fifties and will have already had considerable experience in controlling the accounting functions of a small company.

The essential requirements are a willingness to accept responsibility, proven competence and the ability to report at board level.

Please contact Chris Kuhn
3rd Floor, Wheatthorpe House, 4 Carmelite Street London EC4Y 0BN
Telephone: 01-353 1307/1308, 01-353 5831

Dennis Chatfield & Associates

£6,000—£9,000 accountancy appointments

APPEAR EVERY TUESDAY

Cost £16 per single column centimetre

For further details contact:

SALLY STANLEY
01-248 8000
ext 7177

£6,000 accountancy appointments £9,000

These advertisements appeared in the Financial Times on 15th May

Job Title	Salary	Location	Advertiser
Financial Manager	£9,000 + Benefits	Middlesex	Hudson Shribman
Senior Assistant General Financial Section	£6,012-£6345	South London	Greenwich Council
Financial Analyst	£5,500	London	Linguaphone
Management Accountant	£7,000	Surrey	PER London
Company Accountant	£6,750	Camberley, Surrey	Dennis Chatfield & Assoc.
Management Accountants	£7,500 + Bonus £8,000 + £8,000 +	London Holborn Reading	Accountancy Personnel Senior Appointments
Young Qualified CA Tax Career	£9,000	London, WC1	Douglas Liambias Assoc.
Assistant to Group Financial Manager	£8,000 + Benefits	London, W1	Extel Recruitment

For further details please see the FT of that date or telephone Julie Burgess on 01-248 8000 ext. 526

Companies and Markets

More Polish grain imports expected

WESTERN GRAIN dealers expect Poland to increase its already large purchases of grain from the U.S. and other Western countries as a result of the country's most serious spring floods in decades.

Sunshine boost for farmers

LAST WEEK'S warm spell has produced a rapid improvement in the condition of farm crops in Britain. Cereals are now growing away, and some barley sown last autumn is nearing the stage when it will produce ears.

Dissease levels are generally low in grain crops. Potato and sugar beet planting, severely delayed by the long winter, are now almost complete.

Platinum hits new peak

BY JOHN EDWARDS, COMMODITIES EDITOR

THE LONDON free market price for platinum rose by \$5.45 to a new all-time peak of \$218.85 an ounce (\$446.50) yesterday.

Cash silver on the London Metal Exchange reached a new peak of 41.9p an ounce in the morning but the three-month quotation failed to exceed the previous high of 42.62p and values eased in later trading.

Nevertheless, the London spot price, at present exchange rates, is equivalent to nearly 57 U.S. cents a pound and Asarco claims it is having difficulty in obtaining sufficient lead concentrate supplies.

copper price by 2 cents to 90 cents a pound. London copper prices closed easier after renewed selling pressure in the afternoon, brought the market back. At one stage three months' wirebars touched \$950 a tonne, but it fell back to \$940.75 at the close and to \$933 in after hours trading.

As expected, copper stocks in the LME warehouses fell for the 21st week in succession by 5,075 tonnes to 223,050 tonnes. Tin lost ground, reflecting a decline in the Penang market over the weekend and a rise in warehouse stocks, up by 500 to 1,755 tonnes.

A fall in zinc stocks, down by 1,525 to 70,875 tonnes, helped sustain the market. At the same time two other leading producers, Norinac and Outokumpu, confirmed they were raising their official zinc price from \$900 to \$845 a tonne.

Aluminium stocks fell by 275 to 18,725 tonnes, while LME silver holdings rose by 120,000 to 20,250,000 ounces. Nickel prices on the Metal Exchange climbed to a new peak of \$3,570 a tonne on rumours that International Nickel was planning to declare force majeure as a result of the continuing strike at its Sudbury mines. The company, however, said no such decision had been made.

The two state-owned producers, Roan Consolidated Mines and Nchanga Consolidated Copper Mines, have tried to make greater use of the road from the copperbelt to Dar Es Salaam, but a shortage of trucks means that capacity is limited.

about 25,000 tonnes of copper a month—about half the total monthly production. Most of the balance goes by the southern railway route through neighbouring Rhodesia, re-opened last October, to the South African port of East London.

Zambia copper held up

BY MICHAEL HOLMAN IN LUSAKA

ZAMBIA'S VITAL copper exports are being held up at a rate of nearly 1,000 tonnes a day as efforts to repair the damaged Tanzania-Zambia railway continue.

Sections of the line over a 12-mile stretch were washed away by heavy rains on April 21, and it has not been carried through traffic since then. Work is taking place on 19 places along the track but no official date has been set for completion.

Soviet hide purchases rocket

BY CHRISTOPHER PARKES

THE SOVIET UNION increased its purchases of cattle hides from the EEC 15-fold last year, the British Leather Federation disclosed yesterday.

took only the slightest change to turn the market on its head. More than 40 per cent of EEC exports went to Eastern Europe, compared with 33 per cent a year earlier.

1977, took only 6,500 tonnes last year. Hungary and East Germany also reduced their imports while sales to Czechoslovakia, Bulgaria and Poland increased.

BRITISH COMMODITY MARKETS

Table with columns for various commodities like Copper, Tin, Zinc, Lead, Silver, Gold, and their prices in London.

COFFEE

Table showing coffee prices for different grades and origins like Arabica and Robusta.

GRAINS

Table showing grain prices for wheat, barley, and other cereals.

WHEAT

Table showing wheat prices for different varieties and origins.

INSURANCE BASE RATES

Table showing insurance base rates for property, fire, and other risks.

LEGAL NOTICES

Legal notices including company liquidations, court orders, and other legal proceedings.

COCAOA

Table showing cocoa prices for different grades and origins.

WOOL FUTURES

Table showing wool futures prices for different grades and origins.

TEA AUCTION

Text describing the tea auction process and results.

COTTON

Text describing the cotton market and prices.

MEAT/VEGETABLES

Table showing meat and vegetable prices for various types of meat and produce.

Cocoa price rise continues

By Our Commodities Staff

COCOA PRICES continued last week's surge on the London futures market yesterday with the July quotation climbing to \$1,694 a tonne at one time.

At a producer meeting in Quito, Ecuador, meanwhile, signs emerged that producers may take a softer stand on prices at the next session of International Cocoa Agreement negotiations in Geneva in July than they did at the last session three months ago.

The producers agreed to "negotiable" price levels. "We have sought to take a fair stand which takes into account the interests of consumers as well as the needs of producers," conference sources told Reuters.

Sugar area estimate cut

SUGAR STATISTICIAN F. O. Lict, in his third European sugar beet acreage estimate for 1979-1980, puts the total area sown at 7,822,000 hectares.

This compares with his second estimate of 7,840,000 hectares and a 1978-79 figure of 7,822,000 hectares.

NORWEGIAN FISHING

New limits bring further problems

BY RICHARD MOONEY

WHEN THE Norwegian electorate turned down its chance of joining the EEC six years ago, concern over the implications of the EEC's common fisheries policy was generally recognised as being the deciding factor in its decision.

The prospect of a new world of 200-mile exclusive economic zones was growing stronger and with it the threat of the loss of distance water fisheries and the promise of total economic control in coastal waters.

Subsequent events have tended to support this view and the Norwegian fishing industry is happy to have avoided the problems with which Britain has been faced. However, any hopes that the 200-mile limit would bring a new boom in the fishing industry have long since faded.

In 1977, the year in which the limit was extended, the Norwegian fish catch rose to a record 3.2m tonnes but in 1978 this fell back to 2.4m and a further reduction is inevitable this year.

WELSH SHEEP LOSSES

FINANCIAL COMPENSATION

BY ROBIN REEVES, WELSH CORRESPONDENT

FINANCIAL compensation for heavy sheep losses in Wales this winter is being sought by the Farmers' Union of Wales.

The Union estimates that Welsh sheep producers lost around 500,000 tonnes of lambs and quadrupled their feeding costs from £1.50 to £6.47 per cwt in attempting to keep their sheep alive in the exceptionally bad conditions.

At talks between the FUW and the Welsh Office Agriculture Department, the union said that certified throughput of lambs at Welsh markets has been down by nearly 70 per cent.

They admitted to catching 282,000 tonnes last year, claims Mr. Krog, "and most of these were three-year old fish with several years to go to maturity."

WELSH SHEEP LOSSES

FINANCIAL COMPENSATION

BY ROBIN REEVES, WELSH CORRESPONDENT

FINANCIAL compensation for heavy sheep losses in Wales this winter is being sought by the Farmers' Union of Wales.

The Union estimates that Welsh sheep producers lost around 500,000 tonnes of lambs and quadrupled their feeding costs from £1.50 to £6.47 per cwt in attempting to keep their sheep alive in the exceptionally bad conditions.

At talks between the FUW and the Welsh Office Agriculture Department, the union said that certified throughput of lambs at Welsh markets has been down by nearly 70 per cent.

They admitted to catching 282,000 tonnes last year, claims Mr. Krog, "and most of these were three-year old fish with several years to go to maturity."

Small selling and lack of support depresses markets
Index down 11.5 at 510.7—Gilt falls to 1 1/2—Golds good

Account Dealing Dates
Option
First Declara- Last Account
Dealing Date Dealings Day

wages also served to keep potential buyers on the sidelines and left share prices vulnerable again to small selling.

constituents ended with double-figure losses, while the overall tone was illustrated by falls in FT-quoted equities outnumbering rises by nearly 4:1.

Marked lower at the outset. Building descriptions gave further ground on some fairly sizeable selling, but the appearance of one or two buyers in after-hours trade left certain leading issues above the worst.

Recent high-flier, E. Elliott, reacted 1 1/2 to 2 1/2p, while Ransome Sims reacted 9 to 16p and APV 3 to 2 1/2p.

News International gave up 8 to 36p and United 10 to 37p. Among weak Properties, falls of around 6p were marked against Land Securities, 28p, MEPC, 17p, and Great Portland Estates, 27p.

LONDON TRADED OPTIONS
Table with columns: Option, Ex'cise, Closing price, Vol., Closing offer, Vol., Closing bid, Vol., Equity close

Traded options attracted 1,320 contracts against the previous week's daily average of 1,135. Grand Metropolitan were lively, recording 20 deals, while Marks and Spencer and ICI attracted 205 and 185 trades respectively.

Hardy Ord. jump
A notable firm feature in an otherwise friendless Stores sector was provided by Hardy (Furnishers) which, in the wake of the Board's swift rejection of Harris Queensway's bid terms, jumped 4 1/2 to 187p peak of 180p following good buying by the company's non-voting A shareholders and by holders of H, 13 lower at 23p; Hardy A Taylor Woodrow eased 6 to 420p.

John James suspended
Industrial leaders got the new Account off to a weak start with closing falls ranging to 16. Reckitt and Colman ended that much off at 417p, while Pilkington recorded 15 to 37p and Bank Organisation dipped 10 to 24 1/2p.

Gold prices sharply higher
A further 87 surge in the bullion price to an all-time closing high of \$263.875 an ounce, prompted sharp gains in South African Golds.

FINANCIAL TIMES STOCK INDICES
Table with columns: Index, May 21, May 22, May 23, May 24, May 25

NEW HIGHS AND LOWS FOR 1979
Table with columns: Security, High, Low, Date

APPOINTMENTS

Tarmac group executive post

Mr. Donald T. Carr has been appointed assistant managing director of TARMAC ROADSTONE HOLDINGS, the parent company of the Tarmac group's quarry products division.



Mr. Donald Carr

Mr. Ian D. Austin has been appointed European director of KAWNEER, the international architectural aluminium group. He will be responsible for the company's operations in Continental Europe as well as in the UK.

OPTIONS

Table with columns: Deal, Last, Last For, Settlement, Declara- tion, Date

ACTIVE STOCKS

Table with columns: Stock, Denomina- tion, Closing price, Change, 1979, 1978

RECENT ISSUES

Table with columns: Issue Price, Latest Requir- ing Date, 1979, Stock

FIXED INTEREST STOCKS

Table with columns: Issue Price, Latest Requir- ing Date, 1979, Stock

OPTIONS

Burton A. Ladbroke, Scottish and Newcastle, Siebens (UK), M. F. North, Kenwick, London and Northern, Sungei Krian, M. J. and J. Hallman and EXIL. Puts to be completed included Lex Service, Sears, NatWest Warrants and Ladbroke Warrants, while double options were arranged in Plessey, Scottish and Newcastle, MEPC, Amalgamated Power, A. G. Stanley and Charterhall.

RIGHTS OFFERS

Table with columns: Issue Price, Latest Requir- ing Date, 1979, Stock

FT-ACTUARIES SHARE INDICES

Table with columns: EQUITY GROUPS & SUB-SECTIONS, Mon., May 21, 1979, Fri., May 25, 1979, Year ago (approx.)

Handwritten signature or stamp at the bottom of the page.

Handwritten note: "J.P. Morgan 1950"

AUTHORISED UNIT TRUSTS

Table of authorized unit trusts including Abbey Unit Tr. Mgrs., Friends' Provid. Unit Tr. Mgrs., and various other trust managers with their respective fund names and values.

Table of insurance and property bonds including Crown Life Assurance, Lloyds Life Assurance, and various other insurance companies with their respective policies and values.

Table of offshore and overseas funds including Target Tr. Mgrs., Tower Unit Trust Mngt. Ltd., and various other international investment funds with their respective assets and values.

Table of offshore and overseas funds (continued) including various international investment funds, mutual funds, and other financial instruments with their respective assets and values.

Footnote and notes section containing legal disclaimers and additional information regarding the data presented in the tables.

BRIMS
CONSTRUCTION WITH CONFIDENCE
BRIMS & CO. LTD.
NEWCASTLE UPON TYNE
TEL. 0632 628833 ; TELEX 537784

FT SHARE INFORMATION SERVICE

BONDS & RAILS—Cont.

1979	High	Low	Stock	Price	+/-	Div.	Yield
10	104	102	Change 4-16 1998	104	+		11.50
11	105	103	5.25 1980	105	+		11.50
12	106	104	5.25 1981	106	+		11.50
13	107	105	5.25 1982	107	+		11.50
14	108	106	5.25 1983	108	+		11.50
15	109	107	5.25 1984	109	+		11.50
16	110	108	5.25 1985	110	+		11.50
17	111	109	5.25 1986	111	+		11.50
18	112	110	5.25 1987	112	+		11.50
19	113	111	5.25 1988	113	+		11.50
20	114	112	5.25 1989	114	+		11.50
21	115	113	5.25 1990	115	+		11.50
22	116	114	5.25 1991	116	+		11.50
23	117	115	5.25 1992	117	+		11.50
24	118	116	5.25 1993	118	+		11.50
25	119	117	5.25 1994	119	+		11.50
26	120	118	5.25 1995	120	+		11.50
27	121	119	5.25 1996	121	+		11.50
28	122	120	5.25 1997	122	+		11.50
29	123	121	5.25 1998	123	+		11.50
30	124	122	5.25 1999	124	+		11.50
31	125	123	5.25 2000	125	+		11.50
32	126	124	5.25 2001	126	+		11.50
33	127	125	5.25 2002	127	+		11.50
34	128	126	5.25 2003	128	+		11.50
35	129	127	5.25 2004	129	+		11.50
36	130	128	5.25 2005	130	+		11.50
37	131	129	5.25 2006	131	+		11.50
38	132	130	5.25 2007	132	+		11.50
39	133	131	5.25 2008	133	+		11.50
40	134	132	5.25 2009	134	+		11.50

BRITISH FUNDS

'Shorts' (Lives up to Five Years)

1979	High	Low	Stock	Price	+/-	Div.	Yield
10	104	102	Change 4-16 1998	104	+		11.50
11	105	103	5.25 1980	105	+		11.50
12	106	104	5.25 1981	106	+		11.50
13	107	105	5.25 1982	107	+		11.50
14	108	106	5.25 1983	108	+		11.50
15	109	107	5.25 1984	109	+		11.50
16	110	108	5.25 1985	110	+		11.50
17	111	109	5.25 1986	111	+		11.50
18	112	110	5.25 1987	112	+		11.50
19	113	111	5.25 1988	113	+		11.50
20	114	112	5.25 1989	114	+		11.50
21	115	113	5.25 1990	115	+		11.50
22	116	114	5.25 1991	116	+		11.50
23	117	115	5.25 1992	117	+		11.50
24	118	116	5.25 1993	118	+		11.50
25	119	117	5.25 1994	119	+		11.50
26	120	118	5.25 1995	120	+		11.50
27	121	119	5.25 1996	121	+		11.50
28	122	120	5.25 1997	122	+		11.50
29	123	121	5.25 1998	123	+		11.50
30	124	122	5.25 1999	124	+		11.50
31	125	123	5.25 2000	125	+		11.50
32	126	124	5.25 2001	126	+		11.50
33	127	125	5.25 2002	127	+		11.50
34	128	126	5.25 2003	128	+		11.50
35	129	127	5.25 2004	129	+		11.50
36	130	128	5.25 2005	130	+		11.50
37	131	129	5.25 2006	131	+		11.50
38	132	130	5.25 2007	132	+		11.50
39	133	131	5.25 2008	133	+		11.50
40	134	132	5.25 2009	134	+		11.50

AMERICANS

1979	High	Low	Stock	Price	+/-	Div.	Yield
10	104	102	Change 4-16 1998	104	+		11.50
11	105	103	5.25 1980	105	+		11.50
12	106	104	5.25 1981	106	+		11.50
13	107	105	5.25 1982	107	+		11.50
14	108	106	5.25 1983	108	+		11.50
15	109	107	5.25 1984	109	+		11.50
16	110	108	5.25 1985	110	+		11.50
17	111	109	5.25 1986	111	+		11.50
18	112	110	5.25 1987	112	+		11.50
19	113	111	5.25 1988	113	+		11.50
20	114	112	5.25 1989	114	+		11.50
21	115	113	5.25 1990	115	+		11.50
22	116	114	5.25 1991	116	+		11.50
23	117	115	5.25 1992	117	+		11.50
24	118	116	5.25 1993	118	+		11.50
25	119	117	5.25 1994	119	+		11.50
26	120	118	5.25 1995	120	+		11.50
27	121	119	5.25 1996	121	+		11.50
28	122	120	5.25 1997	122	+		11.50
29	123	121	5.25 1998	123	+		11.50
30	124	122	5.25 1999	124	+		11.50
31	125	123	5.25 2000	125	+		11.50
32	126	124	5.25 2001	126	+		11.50
33	127	125	5.25 2002	127	+		11.50
34	128	126	5.25 2003	128	+		11.50
35	129	127	5.25 2004	129	+		11.50
36	130	128	5.25 2005	130	+		11.50
37	131	129	5.25 2006	131	+		11.50
38	132	130	5.25 2007	132	+		11.50
39	133	131	5.25 2008	133	+		11.50
40	134	132	5.25 2009	134	+		11.50

Five to Fifteen Years

1979	High	Low	Stock	Price	+/-	Div.	Yield
10	104	102	Change 4-16 1998	104	+		11.50
11	105	103	5.25 1980	105	+		11.50
12	106	104	5.25 1981	106	+		11.50
13	107	105	5.25 1982	107	+		11.50
14	108	106	5.25 1983	108	+		11.50
15	109	107	5.25 1984	109	+		11.50
16	110	108	5.25 1985	110	+		11.50
17	111	109	5.25 1986	111	+		11.50
18	112	110	5.25 1987	112	+		11.50
19	113	111	5.25 1988	113	+		11.50
20	114	112	5.25 1989	114	+		11.50
21	115	113	5.25 1990	115	+		11.50
22	116	114	5.25 1991	116	+		11.50
23	117	115	5.25 1992	117	+		11.50
24	118	116	5.25 1993	118	+		11.50
25	119	117	5.25 1994	119	+		11.50
26	120	118	5.25 1995	120	+		11.50
27	121	119	5.25 1996	121	+		11.50
28	122	120	5.25 1997	122	+		11.50
29	123	121	5.25 1998	123	+		11.50
30	124	122	5.25 1999	124	+		11.50
31	125	123	5.25 2000	125	+		11.50
32	126	124	5.25 2001	126	+		11.50
33	127	125	5.25 2002	127	+		11.50
34	128	126	5.25 2003	128	+		11.50
35	129	127	5.25 2004	129	+		11.50
36	130	128	5.25 2005	130	+		11.50
37	131	129	5.25 2006	131	+		11.50
38	132	130	5.25 2007	132	+		11.50
39	133	131	5.25 2008	133	+		11.50
40	134	132	5.25 2009	134	+		11.50

Over Fifteen Years

1979	High	Low	Stock	Price	+/-	Div.	Yield
10	104	102	Change 4-16 1998	104	+		11.50
11	105	103	5.25 1980	105	+		11.50
12	106	104	5.25 1981	106	+		11.50
13	107	105	5.25 1982	107	+		11.50
14	108	106	5.25 1983	108	+		11.50
15	109	107	5.25 1984	109	+		11.50
16	110	108	5.25 1985	110	+		11.50
17	111	109	5.25 1986	111	+		11.50
18	112	110	5.25 1987	112	+		11.50
19	113	111	5.25 1988	113	+		11.50
20	114	112	5.25 1989	114	+		11.50
21	115	113	5.25 1990	115	+		11.50
22	116	114	5.25 1991	116	+		11.50
23	117	115	5.25 1992	117	+		11.50
24	118	116	5.25 1993	118	+		11.50
25	119	117	5.25 1994	119	+		11.50
26	120	118	5.25 1995	120	+		11.50
27	121	119	5.25 1996	121	+		11.50
28	122	120	5.25 1997	122	+		11.50
29	123	121	5.25 1998	123	+		11.50
30	124	122	5.25 1999	124	+		11.50
31	125	123	5.25 2000	125	+		11.50
32	126	124	5.25 2001	126	+		11.50
33	127	125	5.25 2002	127	+		11.50
34	128	126	5.25 2003	128	+		11.50
35	129	127	5.25 2004	129	+		11.50
36	130	128	5.25 2005	130	+		11.50
37	131	129	5.25 2006	131	+		11.50
38	132	130	5.25 2007	132	+		11.50
39	133	131	5.25 2008	133	+		11.50
40	134	132	5.25 2009	134	+		11.50

Undated

1979	High	Low	Stock	Price	+/-	Div.	Yield
10	104	102	Change 4-16 1998	104	+		11.50
11	105	103	5.25 1980	105	+		11.50
12	106	104	5.25 1981	106	+		11.50
13	107	105	5.25 1982	107	+		11.50
14	108	106	5.25 1983	108	+		11.50
15	109	107	5.25 1984	109	+		11.50
16	110	108	5.25 1985	110			

Chippin 1.50

INDUSTRIALS—Continued

Table of industrial stocks including companies like BHP, Anglo American, and various mining companies with their respective share prices and market data.

INSURANCE—Continued

Table of insurance companies such as London & Lancashire, Norwich Union, and others, listing stock prices and financial indicators.

PROPERTY—Continued

Table of property-related stocks and trusts, including companies like British Property Investment and others.

INVESTMENT TRUSTS—Cont.

Table of investment trusts such as British Trust for Overseas Properties, Industrial Investment Trusts, and others.

FINANCE, LAND—Continued

Table of financial and land-related stocks, including banks, insurance companies, and landowners.

NOMURA The Nomura Securities Co., Ltd. London Office: Barber Surgeons Hall, New Street, London EC2A 3EA. Phone: 011 606-3411, 6263

MINES—Continued

Table of mining stocks including Anglo American, BHP, and various metal mining companies.

TINS

Table of tin mining stocks such as Anglo-Tin, BHP, and others.

COPPER

Table of copper mining stocks including Anglo American, BHP, and others.

MISCELLANEOUS

Table of miscellaneous stocks and shares.

NOTES

Notes and disclaimers regarding the accuracy of the market data, including information about the data source and potential errors.

INSURANCE

Table of insurance companies and their stock prices.

PROPERTY

Table of property stocks and trusts.

TOBACCO

Table of tobacco-related stocks.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks.

DIAMOND AND PLATINUM

Table of diamond and platinum stocks.

CENTRAL AFRICAN

Table of Central African stocks.



Moves to repeal Land Act start

BY MICHAEL CASSELL

THE GOVERNMENT yesterday announced the first moves toward repealing the controversial Community Land Act introduced in 1975.

The Act represents one half of the last Government's Community Land Scheme, designed to give local authorities power to control land acquisition and sales, and to retain any profits for the benefit of the public.

Changes to the second part of the scheme, the Development Land Tax, are likely to be included in the Conservatives' first Budget on June 12.

The tax stands at a reduced interim rate of 66 2/3 per cent (full rate 80 per cent) on increases in land values as a result of planning permission for development and it is widely expected that, although it will be retained, the rate will be cut back, possibly to around 50 per cent.

The tax is payable by landowners on the sale of the land and is designed to ensure that the increase in land values—resulting from the granting of planning permission—is passed on to the Exchequer at time of sale or when building begins.

Mr. Tom King, Minister for Local Government, announced that the Government is curtailing consents for new spending under the scheme, and is also removing the previous Government's restrictions on local authority land sales.

He said the decision signalled the start of "the long-overdue task of dismantling this cumbersome and expensive piece of bureaucratic machinery." Contrary to its original objectives, the legislation had reduced the supply of development land and led to higher prices.

The Minister produced provisional figures to show that, since its inception, the provisions of the Act had led to a net expenditure in England of £52m. Only 3,600 acres of land had been acquired by local authorities, and 2,000 acres had been sold. The planned budget for land purchase in Britain for 1979-80 had been £54m, he added, and the new measures would lead to "significant savings" on that figure.

Mr. King said the Government hoped the new measures would again encourage confidence in the construction and development industries and help bring badly-needed land on to the market.

The Minister declined to elaborate, other than to say the Government was preparing a Bill for this session which would, apart from repealing the Community Land Act, "maintain and clarify" the role of local authorities in respect of land assembly—powers for which already existed.

NORTH SEA OIL PLATFORM MARKET BREAKTHROUGH

U.S. group wins contract

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE U.S. engineering group Chicago Bridge and Iron has broken into the North Sea oil platform market with a major contract won against competition from established British and Continental yards.

The order, announced by Phillips Petroleum yesterday as part of the £300m development of the Maureen field, is for a steel gravity platform. It will be built by a joint venture company with Chicago Bridge as the operator and the Glasgow-based Weir Group as a partner.

The work will provide 450 jobs for two years and will use a yard at Hunterston on the Lower Clyde built with £7m of Government money, which has been empty for five years.

Chicago Bridge, one of the world's largest engineering companies, has built offshore structures for the Gulf of Mexico, Dubai and Brazil. Until now, however, it has not been involved in the North Sea. One of the yards it beat for the order was the Anglo-French-Dutch group, Howard-Doris-NAPM, which will build a complex deck structure for the platform at its yard on Loch Kishorn, Wester Ross.

Employment at Loch Kishorn has been run down since completion of the Ninian central platform a year ago, but will now be built up from the present 150 workforce to about 1,000. Mr. Albert Granville, managing director of Howard-Doris, said the yard was being developed at a cost of between £1m and £2m to widen the range of work it could undertake. It would be hiding for new contracts, including installation work and the building of a loading platform for the Maureen field.

The Maureen platform has been designed by Tecnomare of Italy and stands on three tubular legs which are used for oil storage. The two sections are scheduled for completion in the spring of 1981 and will be joined in coastal waters so that the platform can be floated to the field as a finished unit and located in a pre-set template on the seabed.

This will be the first time this method has been used in the North Sea.

Steel for the 97,000 tonne structure has been ordered by Phillips largely from German, Austrian and Danish companies. British Steel will receive only £2.7m of the £10m orders because it is unable to supply the quantities of special steels required.

The Maureen field, 160 miles East-North-East of Aberdeen, should begin production within three years with an initial output of 75,000 barrels of crude oil a day. It is being developed by Phillips for a six-company consortium.

Oil platform construction Page 10

Schlumberger bids for Fairchild

BY STEWART FLEMING IN NEW YORK

SCHLUMBERGER, one of Wall Street's most prized glamour stocks—because of its leading position in the oil services industry and spectacular profits growth—has launched a \$56m takeover proposal for Fairchild Camera and Instrument.

After negotiations over the weekend Fairchild has eagerly accepted the \$66-a-share bid. Last month Gould, an aggressive Illinois-based electronics concern launched a hostile takeover offer for Fairchild, the fifth largest U.S. semiconductor producer.

Fairchild promptly resisted the \$54-a-share approach. But speculators piled into the California-based company's shares arguing that it was vulnerable to takeover and anticipating that the company would seek a more attractive partner.

Initially there were suggestions that General Electric of Britain might be interested in Fairchild, with which it has a joint venture. But last weekend it emerged that Fairchild was locked in talks with Schlumberger.

Mr. Jean Riboud, chief executive of Schlumberger, a com-

pany founded by two French brothers early in the century which still has strong French ties, said that Fairchild would operate as a separate subsidiary under its present management.

The oil services concern plans to commence a tender offer for Fairchild on May 29 or as soon as possible afterwards.

Fairchild last year reported earnings of \$24.7m on sales revenues of \$533m. Schlumberger earned \$302m on sales revenues of \$2.7bn.

Industrial logic for Schlumberger, Page 29

Mirror trims technology aims

BY JOHN LLOYD

THE DAILY MIRROR group of newspapers is expected to announce later this week it will drop attempts to fully computerise the production of its newspapers for the time being.

This follows some three years of preparation to switch from traditional "hot metal" setting, and the investment of £1.3m on new composing technology supplied by the U.S. company, Linotype Paul.

A six-man working party, formed two weeks ago and headed by Mr. Vic Horwood, managing director of the Daily Record—the Daily Mirror's sister paper in Scotland—is likely to recommend that while electronic typesetting be maintained, the columns of type and illustrations should be cut and pasted on boards, as in conventional photocomposition, instead of moving to full-page make-up on the computer.

The Mirror group had been

the most advanced Fleet Street paper in the introduction of computerised technology, though it has followed a significantly different route from the much-publicised attempts at The Times.

The Mirror decided not to involve journalists or advertising staff in typesetting. Reporters' copy is thus typed and sub-edited in the conventional way, but was then intended to be set on electronic typesetters and designed on a screen linked to a computer.

Times Newspapers, however, is trying to break the typesetting monopoly of the National Graphical Association. Express Newspapers and the Observer have each announced that they will follow broadly the Mirror's system.

The Mirror method, known as computographic, should have allowed the five main Mirror

publications—Daily Mirror, Sporting Life, Sunday Mirror, Sunday People and Revue!—to be electronically composed and designed on the same system.

However, only Revue! and a few Daily Mirror pages have been making use of the system, and even this limited use caused major production problems and some loss of copies.

No official figures of losses on the new technology have been given. Executives yesterday played down losses, saying that they were still impossible to calculate. They would have no serious effect on the profit figures of Reed International, the Mirror group's parent company, they said.

It is also claimed that the make-up of a Daily Mirror page, which had taken around 45 minutes in the "hot metal" system, is now taking two hours or more.

Fraud plot at Saint Piran, says QC

By James Bartholomew

"A GRAVE case of fraud" was being plotted at Saint Piran, the quoted mining and building company, and the Department of Trade was conducting an inquiry, Mr. C. B. E. Dillon, QC, claimed in the High Court yesterday.

Speaking on behalf of dissident shareholders, who want to remove the board of directors, Mr. Dillon said the fraud was intended to work in three stages.

In the first stage Saint Piran would set up a wholly owned subsidiary in Hong Kong called Saint Piran (Hong Kong) and transfer the group's Far Eastern assets into it.

Then more money would be transferred into the Hong Kong subsidiary making it flush with all available cash.

And finally it would be sold to Gasco Investments, a Hong Kong company chaired by Mr. James Raper, former chairman of Saint Piran, "on a deferred terms at a substantial undervalue."

Saint Piran has grown quickly in the last four years, its net assets excluding goodwill rising from £2.4m to £15.2m at book value and its assets rising from £200,000 to £85m.

Mr. Raper, now resident in the Far East, was chairman of the company between 1974 and 1976. He held about 30 per cent of the company's shares, which he sold on his resignation from the Board and which, according to Mr. Dillon, "came to be held by eight companies in various parts of the world."

We say that despite his ostensible resignation, Mr. Raper is still a director of Saint Piran as a person in accordance with those directions and instructions the directors are accustomed to act," Mr. Dillon told the court.

The dissidents are seeking an injunction to stop the Board doing deals with Gasco or any company influenced by Mr. Raper.

They are also asking the court to rule that five of the dissidents were voted in as the rightful directors of the company at an extraordinary general meeting on March 30, because certain votes cast against them were invalid.

Until that issue is decided in a full hearing, they are asking that Mr. Paul Shevell, of the accountants Coopers and Lybrand, and Mr. Richard Moffitt, a mining engineer, should be appointed as independent receivers and managers of Saint Piran.

Mr. Douglas Allen, a director of Saint Piran, last night said the alleged fraud would be denied.

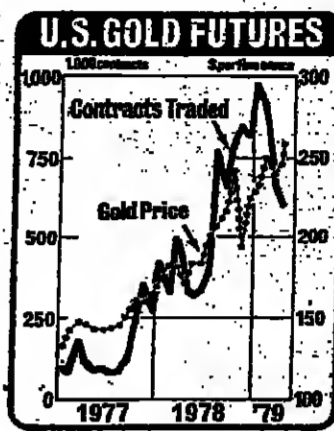
The case, being heard by Mr. Justice Oliver, continues today.

THE LEX COLUMN

Big funds play a waiting game

Although this column warned on May 4 that "in the last few elections the day after the poll has seldom provided a short-term buying opportunity" a lot of investors were expecting that a convincing Tory victory would give a further burst of momentum to an already strong equity market. But the behaviour of equities since the FT 30-Share Index touched its all-time high of 556.5 on that Friday has illustrated just how technically vulnerable the market had become. By last night the index was 5.6 per cent off that peak, and there has been no protection in the second liners with the All-Share Index down by a closely similar 5.4 per cent over the same period.

Index fell 11.5 to 510.7



Ever since March, when pre-election buying reached a peak with turnover often topping £150m a day (and on occasion £200m), a great deal of private money has been riding the equity market, probably some speculative foreign money spilled over from gilts, too. But these private punters could only get out at a profit if institutions (or other private investors) would buy the shares.

This is the kind of market that institutional investors like. Because of their cash inflows rather than sellers, and do not like to find themselves chasing prices high in a bullish period. Far better to mop up stock when it comes on offer, in such circumstances they are in a position to dictate the price level.

At the risk of oversimplification, it looks as though the equity market is coming back to the kind of institutionally determined level which held before the election spree. On this view equities are not set for any prolonged slide but will soon stabilise once the speculative overhang has been mopped up. The exact level will depend on the pre-Budget judgment of professional investors in the City.

Here the worsening of the picture in gilt-edged, which were also weak yesterday, is a bearish factor. Long yields have risen by half a point or so since the election, and inflationary fears have intensified. Fund managers are also ready to make room in their portfolios for the Government's promised equity sell-offs. This is not a reason for despondency, but is a reminder that it will take many months for new policies to have a major impact on the stock market fundamentals.

With the gold price jumping 37 yesterday to a new all-time high of \$383 and the FT Gold Miners Index (ex-S premium) also moving into new high ground in 1979, the analysts are once again searching around for an explanation for the yellow metal's perverse behaviour. A month ago the price was looking vulnerable. Now sentiment seems to have switched right round and there are those that are talking the price up to \$300 before the year end.

Compared with other metals such as platinum, copper and lead, the gold price has lagged behind in the recent common upsurge in prices. So some of the increase can be viewed as just a catching-up process.

The U.S. decision to cut back official gold sales last month, and the slight reduction in the IMF sales, have also helped reduce the supply/demand imbalance that was threatening to undermine the price in the spring. The IMF sales are expected to end early next year and there are those that think the U.S. will abandon official sales now the dollar has found its feet.

Rising inflation in almost all industrialised countries is the other factor cited as supporting the recent price rise. Reputable banks, such as Citibank, are now actively marketing gold-backed certificates with a minimum investment of \$1,000, and this is tending to lure inflation-conscious investors away from Wall Street.

But while these explanations are familiar enough the recent rise in the gold price differs from earlier periods on two

counts. First, it is taking place against the background of a strengthening U.S. currency. Instead of moving out of the dollar into gold, investors are now prepared to pay more in terms of hard currencies for the privilege of holding gold. If this continues for long it could be a rather sinister sign. The other difference is that gold shares are for once leading the bullion market.

Averts

The Monopolies Commission is due to report in GEC's approach to Averts by mid-August. Meanwhile Averts mentions microprocessors 25 times in its latest annual report, which may be a subtle hint that it does not have to look elsewhere for its electronic technology, thank you very much.

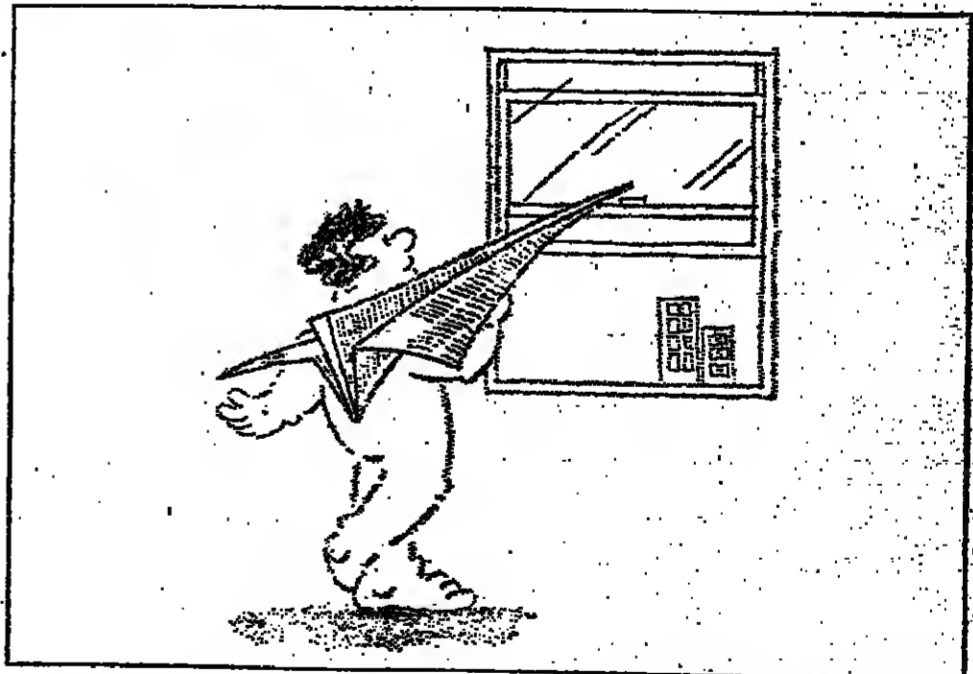
It also suggests disconcertingly that order-books successfully stronger—the manufacturing work load is secure by an average of five months ahead—and that an improvement is coming in overseas profits which account for over a quarter of the total. The shares yield 5.2 per cent at 226, a high in November. GEC was talking about a possible offer of 225.

The main feature of the accounts is a jump in leased assets from next to nothing to nearly £6m, a fifth of written down fixed assets. Part of the relates to Averts' own manufactured products, but the bulk is made up of general leasing business—computers for county councils and the like. The benefits show up in the tax charge, and Averts has plenty more scope for this kind of expansion. Net worth amounts to £24.8m and its borrowings are limited to a net overdraft of only a few million. It is now proposing to boost its borrowing limits from £3.2m to £6.4m on the basis of the latest balance sheet.

Eurosterling bonds

In the two months since GEC raised a bumper £50m on the Eurosterling market, gilt-edged yields have dropped sharply, and then climbed back more or less to mid-March levels. The GEC stock stands at a small premium, yielding 12.3 per cent. Now the European Investment Bank is reopening the market with a £25m loan, carrying a coupon of 11 1/2 per cent. But the stock will probably be priced to yield a bit more than the two most recent sterling bonds from the EIB, which suggests a small discount.

How to keep your share register at your fingertips. Send it to Bristol.



Do you keep your company's share register "in house" to keep an eye on it? And then find that work has piled up just when you need the up to date picture?

NatWest Registrars offer a computerised share registration service which can release your staff from all the time consuming work involved and improve your access to vital information.

We update your register daily. And so can provide you with accurate up to date statistics when you require them and without delay. Contact us today and we'll wing you a brochure describing our service in full.

With your share register settled in Bristol, you'll find it's never far from your fingertips.

NatWest Registrars Department

National Westminster Bank Ltd, Registrars Department, 37 Broad Street, Bristol BS99 7NH.

Weather

UK TODAY
SHOWERS, some sunshine in all districts.
London, E. Anglia, E. Midlands, N.E. Scotland, Borders, Aberdeen
Sunny periods. Showers. Max. 16C (61F).

Table with 2 columns: Location and Weather/Temp. Includes locations like Algiers, Athens, Bahrain, etc.

Pilkington union seeks hours cut

BY NICK GARNETT, LABOUR STAFF

THE GENERAL and Municipal Workers' Union has told Pilkington, Britain's biggest glass manufacturing company, that it will block introduction of a £25m development plan unless management agrees to reduce working hours.

In what appears to be one of the most determined union attempts to cut working hours for manual workers, the union has submitted a claim for shorter working and earlier retirement linked to the introduction of new technology.

This is separate from the annual pay claim submitted by the union and which will be the subject of negotiations in a few weeks.

Pilkington's proposals relate

to a £25m tank it intends to introduce at its St. Helens factory as part of the float process for glass manufacture.

Mr. David Warburton, the union's national officer for the industry, said that an initial study had shown that one in four jobs at the St. Helens plant, where the union has 7,000 members, could be lost if the tank went into service and working hours were not reduced.

He said the union wanted to co-operate fully with the scheme which the company had told the union was of crucial importance to its competitive position.

But it was only prepared to co-operate if the company made

realistic moves on shorter working and earlier retirement.

The union wanted to see the development go ahead, said Mr. Warburton, but the "social cost" had to be met by the company.

The union's stance at Pilkington appears to have been determined partly by the high level of unemployment on Merseyside and partly by the union's relatively strong bargaining position.

It was one of three unions party to an agreement last week with the Chemical Industries' Association which allows individual chemical companies under certain restricted circumstances to negotiate shorter working hours related to the introduction of new technology.

Teachers

expected to recommend by the end of the year.

The 258,000-member National Union of Teachers, whose votes control the union's panel of the Burnham committee, last night called off the withdrawal from non-teaching work which it began 25 days ago.

The 112,000-member National Association of Schoolmasters and Union of Women Teachers is holding an executive meeting today and will almost certainly cease operating the five-hour day its members have been working to press their claim, even though the NAS-UWT has been consistently opposed to a reference to the comparability commission.

Tomorrow there will be a meeting of the Burnham committee on the 28 per cent claim for teachers in further education, who have also been working to the limit.

On past experience, the settlement for schoolteachers is likely to lead to a similar agreement on the award in the staff of further education colleges and polytechnics.

West warned

reckoning" by reducing expected oil supply capacity by between 1.5m and 2m barrels a day.

The prospects for OPEC capacity in 1985 had been brought back to between 35m and 36m barrels a day, "at best" compared with 44m to 45m barrels freecast two years ago.

Ministers are due today to pursue talks, which will include proposals to expand the use of coal. But West Germany has already warned that coal alone will not be able to meet its additional needs for electric power.

France, which is not a member of the IEA yesterday launched an ambitious "anti-waste campaign" aimed at motorists and designed to save 300,000 tonnes of oil a year.

Both France and West Germany yesterday ruled out any question of petrol rationing or drastic restrictions for the time being.

James Nechan in Jeddah writes: Saudi Arabia's Crown Prince Fahd has hit out at the major oil companies, calling them the chief reason behind

the present soaring prices. He called for co-ordination, presumably between producer and consumer Governments, to curb the companies' "domination of the world oil markets."

Such co-ordination would be of particular advantage to the industrial world.

In an interview with the Al-Riyadh newspaper, the Crown Prince said that the companies were reaping excessive profits while the producer countries were taking the opprobrium—a clear reference to the oil spot market, where consignments of Saudi Arabian light crude, sold to the four Aramco partners at \$14.50 a barrel, have appeared in consignments of \$33 a barrel in the last few days.

Saudi Arabia is alone among OPEC producers in holding on to surcharges, which have soared in the case of one Libyan crude to \$4.50 OPEC posted prices.

Other Saudi officials have spoken of the need to curb oil company profiteering by greater Government control over production and downstream operations and by Government to Government sales.

JP 11/1/50